NZX Limited

Main Board/Debt Market Listing Rules

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Main Board/Debt Market Listing Rules

Section 1: Interpretation, Rulings, Waivers

1.1 NZX

1.1.1 NZX Limited ("NZX") is a licensed market operator within the meaning of section 6 of the FMC Act.

1.2 Status of Rules

1.2.1 These Main Board/Debt Market Listing Rules ("Rules") form part of the NZX market rules, for the purposes of the FMC Act. These Rules are not regulations for any purpose.

1.2.2 Any agreement entered into between NZX and an Issuer required pursuant to these Rules and Procedures constitutes a binding contract between NZX and the Issuer and is enforceable by NZX.

1.2.3 Each Issuer covenants with NZX to observe the Rules and to perform the obligations which the Rules purport to impose on Issuers, in the manner provided in the Rules.

1.3 Amendment of Rules

1.3.1 NZX may from time to time amend these Rules, in accordance with the relevant Procedure. Amendments to these Rules will become binding on Issuers upon the later of:

(a) 20 Business Days after Issuers have been given notice of the amendments;

(b) Approval of the amendments by FMA in accordance with section 331 of the FMC Act;

(c) The time (if any) specified in the notice to Issuers.

1.3.2 Accidental omission to give notice to an Issuer or non-receipt of a notice given to an Issuer shall not invalidate the notice in relation to that Issuer or any other person.

1. NZX may circulate proposed amendments (other than those relating to forms and fees) in draft form to all Issuers for comment. NZX will publish a notice of amendments.
2. The attention of Issuers is drawn to Rule 1.5.2, dealing with changes to Constitutions or Trust Deeds made necessary by a change to the Rules.

1.4 Procedures

1.4.1 NZX may from time to time approve written Procedures relating to the operation of the Rules. Procedures may not be inconsistent with the Rules and, in the event of inconsistency between any Rule and any Procedure, the Rules will prevail.

1.4.2 The Procedures do not form part of the Rules. However, if a Rule requires compliance with any Procedure, failure to comply with that Procedure is a contravention of the Rule.

1.5 Effect of Amendment

1.5.1 Unless expressly stated otherwise, where a Rule or Procedure is amended, deleted, or lapses or otherwise ceases to have effect, that circumstance does not:

(a) revive anything not in force or existing at the time at which notification is given to Issuers;

(b) affect the previous operations of that Rule or Procedure or anything done under that Rule or Procedure;

(c) affect any right, privilege, obligation or liability acquired, accrued or incurred under that Rule or Procedure;

(d) affect any penalty, forfeiture, suspension, expulsion or disciplinary action taken or incurred in respect of any contravention of that Rule or Procedure; or

(e) affect any investigation, disciplinary proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, suspension, expulsion or disciplinary action,

and any such investigation, disciplinary proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture, suspension, expulsion or disciplinary action may be imposed as if the circumstance had not taken effect.

1.5.2 Whenever a change is made to the Rules which requires a change to be made to any Constitution, each Issuer affected shall, at the first reasonable opportunity, cause its Constitution to be changed. In the case of changes to those Rules which must be contained in, or incorporated by reference into, a Constitution an Issuer that has those provisions contained in a Constitution shall, at the first reasonable opportunity, cause its Constitution to be amended and, in the case of an Issuer that incorporates by reference those Rules required to be contained in its Constitution, such amended Rules shall be deemed to be incorporated into that Issuer's Constitution

by reference on the date specified in the notice given pursuant to Rule 1.3.1.

1. NZX will generally regard the first annual meeting of the Issuer held six months or more after a change in the Rules as the first reasonable opportunity for a change in the Constitution where the Rules are not incorporated by reference into that Issuer's Constitution.

2. Where an Issuer incorporates by reference those Rules required to be contained in its Constitution, NZX will generally provide one month after the expiry of the notice given under Rule 1.3) before amended Rules shall be deemed to be incorporated into that Issuer's Constitution.

1.5.3 Any transaction to which these Rules apply, and which commenced prior to any amendment coming into force or is undertaken pursuant to any agreement entered into prior to any amendment coming into force, may proceed pursuant to the previously applicable Rules, provided that a waiver from any amended Rule applicable to such a transaction has been granted by NZX on or before the expiry of 3 months from the Rule coming into force.

1.5.4 Any waiver granted by NZX pursuant to Rule 1.11 of the Rules in force prior to commencement of these Rules shall be deemed to be a waiver given pursuant to Rule 1.11.1 and shall (subject to the power of NZX pursuant to Rule 1.11.3) continue in force notwithstanding the introduction of these Rules.

1.6 Interpretation

1.6.1 In these Rules the following terms bear the following meanings:

Advertisement has the meaning:

(a) given in the FMC Act, in relation to a regulated offer to which the FMC Act applies; and

(b) given in the Securities Act 1978, in relation to an offer to the public to which that Act applies.

Advisor has the meaning set out in the NZX Participant Rules.

Appraisal Report means an appraisal report complying with Rule 1.7.

Associated Person has the meaning given in Rule 1.8.

ASX means ASX Limited and includes its successors.

Audit Committee	means a committee of the Board formed in accordance with Rule 3.6.
Authority to Act	means authority held by a Primary Market Participant from NZX without which the Primary Market Participant may not act in connection with an issue of Securities.
Authorisation Code or FIN	means an alphanumeric identifier issued by NZX, an Issuer or an Issuer's registry, to a security holder that provides authority to access the security holder's account at the Issuer's registry.
Average Market Capitalisation	means, in relation to any transaction, the volume weighted average market capitalisation of an Issuer's Equity Securities carrying Votes calculated from trades on the NZSX over the 20 Business Days before the earlier of the day the transaction is entered into or is announced to the market.
Bank	means a registered bank in terms of the Reserve Bank of New Zealand Act 1989, a bank having recognition comparable to that of a registered bank under the law of Australia, the United States of America, Japan or the United Kingdom, or any other financial institution approved by NZX.
Board	means the board of Directors of an Issuer.
Business Day	means a time between 8.30 a.m and 5.30 p.m on a day on which NZX is open for trading.
CDO	means New Zealand Depository Limited.
Chief Executive	means any person occupying the position of chief executive of the Issuer concerned by whatever name called.
CHO	means New Zealand Clearing Limited.
Class	means a class of Securities having identical rights, privileges, limitations and conditions, and includes or excludes Securities which NZX in its discretion deems to be of or not to be of that class.
Code Company	means an Issuer which is a code company as defined in the Takeovers Code.

Common Shareholder Number or CSN	has the meaning given in the NZX Participant Rules.
Constitution	means, in relation to an Issuer, its constitution, or other constituent documents comprising its constitution.
Convert	in respect of a Security, means to convert that Security into, or exchange that Security for, a Security of a different sort, whether at the option of the holder, or of the Issuer, or otherwise, or to subscribe for or obtain a Security of a different sort pursuant to a right conferred by the first mentioned Security. "Conversion" and "Convertible" have corresponding meanings.
Corporate Governance Best Practice Code	means the code set out in Appendix 16.
Depository Rules	means CDO's Depository Operating Rules.
Depository System	has the meaning set out in the Depository Rules.
Debt Security	means a "debt security" within the meaning in section 8(1) of the FMC Act, and includes any other Security which NZX in its sole discretion declares by a Ruling to be a Debt Security but does not include any Security that NZX in its sole discretion declares by a Ruling not to be a Debt Security. NZX may impose such terms and conditions that NZX considers appropriate to a Ruling that a Security is a Debt Security including, without limitation, relating to approvals required for the issue or conversion of the Securities, disclosure in relation to the Securities, or the content of the Constitution, Trust Deed or other document constituting the Securities.
Director	means: (a) in relation to a company as defined in the Companies Act 1993, a director of that company within the meaning of section 126(1)(a) of that Act; (b) in relation to any other entity, any person

occupying a position in that entity that is comparable with that of a director of a company as defined in (a).

Disqualifying Relationship

means any direct or indirect interest or relationship that could reasonably influence, in a material way, the Director's decisions in relation to the Issuer.

Without limiting the definition, a Director shall be deemed to have a Disqualifying Relationship in the following circumstances:

(a) the Director is a Substantial Product Holder of the Issuer or an Associated Person of the Substantial Product Holder (other than solely as a consequence of being a Director of the Issuer); or

(b) where:

(i) the Director has a relationship (other than in his or her capacity as a Director of the Issuer) with the Issuer or a Substantial Product Holder of the Issuer; or

(ii) an Associated Person of the Director has a relationship with the Issuer or a Substantial Product Holder of the Issuer; and

(iii) by virtue of the relationship in (b)(i) or (b)(ii) that Director or any Associated Person of that Director is likely to derive, in the current financial year of the Issuer, a substantial portion of his, her or its annual revenue from the Issuer during such financial year. For the purposes of this paragraph the annual revenue a Director or Associated Person of a Director derives from an Issuer does not include dividends and other distributions payable to all holders of a Class of Equity Securities.

1. In considering whether a Director has a Disqualifying Relationship the Issuer shall consider all the circumstances including the history of the relationship between the Issuer and the Director and/or any plans the Issuer may have concerning the relationship with the

Director on an ongoing basis.

2. NZX considers that generally 10% of a Director's or an Associated Person of a Director's revenue will be a "substantial portion" of that Director's or Associated Person's annual revenue for the purposes of this definition.

Dual Listed Issuer means an Issuer incorporated in Australia which is admitted and not removed from the ASX's Official List and which is also listed on the NZX, otherwise than as an Overseas Listed Issuer and in respect of which both NZX and ASX are Home Exchanges.

Employee in relation to an Issuer, means an employee or officer of that Issuer or any of its Subsidiaries; a labour only contractor, consultant, or consultant company, who or which contracts with that Issuer or any of its Subsidiaries; any trustee or trustees on behalf of any of the above employees or officers; and any trustee or trustees of, or in respect of any pension, superannuation or like fund established for the benefit of any of the above employees or officers.

Equity Security means a Security:

(a) which confers a present or future right to participate in the assets of an Issuer after payment of claims payable under section 313(1) of the Companies Act 1993 or, in the case of an Issuer that is not a company, after paying preferential or other creditors; or

(b) which confers a present or future right to participate in the income or profits of an Issuer; or

(c) which carries, or will in future carry, a Vote, or a right to participate in the ultimate control of an Issuer,

and includes any other Security which NZX in its sole discretion declares, or which NZX has previously declared, by a Ruling to be an Equity Security but does not include any Security that NZX in its sole discretion declares, or which NZX has previously declared, by a Ruling not to be an Equity Security.

NZX may impose such terms and conditions that NZX considers appropriate to a Ruling that a

	Security is an Equity Security including, without limitation, relating to approvals required for the issue or conversion of the Securities, disclosure in relation to the Securities, or the content of the Constitution, Trust Deed or other document constituting the Securities.
Executive Director	means a Director who is also an employee of the Issuer.
Ex Date	in relation to a benefit, means the first Business Day before the Record Date for that benefit, unless NZX determines otherwise.
Financial Reporting Legislation	means, as applicable, the Financial Reporting Act 1993, Financial Reporting Act 2013, and Part 7 of the FMC Act.
FMA	means the Financial Markets Authority established under the Financial Markets Authority Act 2011.
FMC Act	means the Financial Markets Conduct Act 2013.
Head of Market Supervision	means the person occupying the position of Head of Market Supervision of NZX, by whatever name called.
Head Security	means, in relation to any benefit, the Security the holding of which immediately before the Ex Date, confers the entitlement to the benefit.
Home Exchange	means, in respect of any Issuer, NZX, or any other Recognised Stock Exchange which NZX is satisfied has primary jurisdiction in relation to listing requirements for the Issuer and quotation of its Securities. In respect of Issuers subject to a declaration under Rule 5.1.6(a) the term includes NZX, whether or not the Issuer concerned retains another Home Exchange.
Independent Director	means a Director who is not an executive officer of the Issuer and who has no Disqualifying Relationship.
Investment Statement	has the meaning given in section 38C of the Securities Act 1978.
ISIN	means International Security Identification Number.
	International Security Identification Numbers are allocated by NZX and the Reserve Bank of New Zealand for Equity and Debt Securities respectively. Numbers may be obtained on application to NZX or the Reserve Bank.

Issuer	means any person which is or has been Listed and, where applicable, has the extended meaning given in Rule1.6.6.
Listing	means, in respect of any person (or Managed Investment Scheme), the entering into between that person (or, in the case of a Managed Investment Scheme, the Manager on behalf of the Managed Investment Scheme) and NZX of a listing agreement, whereby that person (or the Manager of that Managed Investment Scheme) agrees to comply with the Rules and NZX agrees to administer that person's (or Managed Investment Scheme's) listing and "Listed" and "List" have corresponding meanings.
Managed Investment Scheme	means a managed investment scheme within the meaning of section 9 of the FMC Act and includes: (a) a unit trust established under the Unit Trusts Act 1960; or (b) a group investment fund established under section 29 of the Trustee Companies Act 1967, section 42A of the Public Trust Office Act 1957 or section 63 of the Public Trust Act 2001; or (c) any other scheme or arrangement that NZX declares by a Ruling to be a Managed Fund.
Manager	in relation to a Managed Investment Scheme means the person occupying the position of, and carrying out any of the functions of the manager of set out in section 142 of the FMC Act but does not include a person who is a trustee or supervisor in relation to the Managed Investment Scheme if the person acts solely in the capacity as a trustee or supervisor.
Material Information	in relation to an Issuer is information that: (a) a reasonable person would expect, if it were generally available to the market, to have a material effect on the price of Quoted Securities of the Issuer; and (b) relates to particular securities, a particular Issuer, or particular Issuers, rather than to securities generally or Issuers generally. For the purposes of this definition information is generally available to the market:

(c) if:

(i) it is information that has been made known in a manner that would, or would be likely to, bring it to the attention of persons who commonly invest in relevant securities; and

(ii) since it was made known, a reasonable period for it to be disseminated among those persons has expired; or

(d) if it is likely that persons who commonly invest in relevant securities can readily obtain the information (whether by observation, use of expertise, purchase from other persons, or any other means); or

(e) if it is information that consists of deductions, conclusions, or inferences made or drawn from either or both of the kinds of information referred to in paragraphs (c) and (d).

In this definition, relevant securities means securities of a kind the price of which might reasonably be expected to be affected by the information. Information that is notified to NZX for disclosure to the market in accordance with these Rules is generally available to the market under paragraph (c) of this definition immediately on it being made available to the market (without limiting how quickly the reasonable period of dissemination in paragraph (c)(ii) of this definition may be satisfied in other cases).

Member of the Public means, in relation to an Issuer and/or Securities of an Issuer, any person other than:

(a) a person who holds, or who is one of a group of Associated Persons who together hold, 10% or more of a Class of Securities; or

(b) a person who has, or who is one of a group of Associated Persons who together have, the power (whether contingent or not) to appoint one or more Directors of the Issuer; or

(c) any other person or member of a class of

	persons, whom NZX in its discretion declares not to be a Member of the Public for the purposes of the Rules.
Minimum Holding	means a parcel or number of Securities as set out in Appendix 2.
Mining Issuer	has the meaning given in Rule 10.8.
Non-Standard	means a designation by NZX pursuant to Rule 5.1.4.
NZDX or Debt Market	means the debt security market operated by NZX.
NZSX or Main Board	means the main board equity security market operated by NZX.
NZX	means NZX Limited and includes its predecessors, successors and assigns and as the context permits includes any duly authorised delegate of NZX (including the Tribunal).
NZ Markets Disciplinary Tribunal	means the body constituted by NZX under the NZ Markets Disciplinary Tribunal Rules and where the context permits includes the chairperson, deputy chairperson, any division or duly authorised delegate of NZ Markets Disciplinary Tribunal.
NZ Markets Disciplinary Tribunal Rules	means the NZ Markets Disciplinary Tribunal Rules made by NZX from time to time.
NZX Participant Rules	means the NZX Participant Rules made by NZX from time to time.
NZX Regulation Personnel	means any person for the time being holding appointment, or designated, by NZX as NZX Regulation Personnel and includes the Head of Market Supervision.
Offering Document	means in relation to an offer of Securities: (a) an Investment Statement, if Part 2 of the Securities Act 1978 applies (as modified by any applicable exemption), and requires an Investment Statement to be prepared; (b) a Prospectus, if Part 2 of the Securities Act 1978 applies (as modified by any applicable exemption) and requires a Prospectus, but not an Investment Statement, to be prepared; (c) a PDS, if Part 3 of the FMC Act applies

and requires a PDS to be prepared;

(d) made in reliance on the exclusion contained in clause 10 of Schedule 1 of the FMC Act, or pursuant to the Securities Act (Dividend Reinvestment) Exemption Notice 1998, the document required by those provisions;

(e) made in reliance on clause 19 of Schedule 1 of the FMC Act that is a Rights offer (whether renounceable or non-renounceable), a document that contains the terms and conditions of the offer;

(f) made in reliance on clause 19 of Schedule 1 of the FMC Act that is an offer of Debt Securities, a document that contains the terms and conditions of the offer;

(g) a limited disclosure document, if an exclusion under Schedule 1 of the FMC Act applies and requires such a document to be prepared;

(h) any document of similar effect to a PDS or a limited disclosure document required by the conditions of any applicable exemption granted by FMA from Part 3 of the FMC Act,

and includes any document which NZX in its sole discretion declares by a Ruling to be an Offering Document.

Officer means a person, however designated, who is concerned or takes part in the management of the Issuer's business but excludes a person who does not:

(a) report directly to the Board; or

(b) report directly to a person who reports to the Board.

Official List has the meaning given in the ASX Listing Rules.

Option means an option to acquire by way of issue a Security.

Ordinary Resolution of the Issuer means (subject to Rule 1.6.8) a resolution passed by a simple majority of Votes of holders of Securities of the Issuer which carry Votes, entitled to vote and voting.

Organising Participant	means the Primary Market Participant which has undertaken the responsibilities of that position in respect of a Listing procedure, issue, Offering Document, Profile, or Advertisement.
Overseas Listed Issuer	has the meaning given in Rule 5.1.1.
Participant	means a person who CDO has allowed to be a Legal Title Transfer Depository Participant in accordance with the Depository Rules.
PDS	has the meaning given in the FMC Act.
Primary Market Participant	has the meaning given in the NZX Participant Rules.
Procedure	means a procedure relating to the operation of the Rules as approved or amended by NZX from time to time under Rule 1.4.
Profile	means a document with the content required by Rule 7.1.3.
Prospectus	means a Prospectus within the meaning of the Securities Act 1978.
Quotation	means, in respect of a Class of Securities of an Issuer, the granting of a right for Trading Participants to quote bids and offers for that Class of Security on NZX. “Quote” and “Quoted” have corresponding meanings.
Reciprocal Arrangement	means any agreement or arrangement between NZX and any government or non-governmental agency, authority or association (including without limitation, a Securities or derivatives exchange) in New Zealand or elsewhere whose functions include the monitoring, surveillance, or regulation of trading in or clearing and settlement of transactions in Securities, derivatives or commodities (in New Zealand or elsewhere) which provides for the disclosure of information between NZX and others in relation to dealings in Securities, derivatives, or commodities (in New Zealand or elsewhere);
Recognised Stock Exchange	means a stock exchange approved by NZX from time to time as enforcing rules, procedures and requirements sufficiently similar to those of the

	NZX Main Board to justify classification as a Recognised Stock Exchange for the purposes of the Rules. Full members of the World Federation of Exchanges (WFE) are recognised for the purpose of the Rules (other than for the purpose of Rule 5.1.1(b)).
Record Date	means the time fixed by an Issuer for the determination of the Security holders to whom an entitlement, right or obligation relating to the Securities of that Issuer shall apply.
Register Entry	means a register entry required to be lodged with the Registrar under the FMC Act.
Registrar	has the meaning given in the FMC Act.
Related Company	has the meaning given in section 2(3) of the Companies Act 1993 (read together with section 2(4) of that Act).
Relevant Interest	has the meaning given in the FMC Act.
Renounceable	in relation to a Right or offer of Securities means a Right or offer that is transferable by any holder for the time being to another person (whether or not an existing holder of any Securities to which the Right or offer relates).
Right	means any right (whether conditional or not, and whether Renounceable or not) to acquire a Security or an Option , including a right under a Share Purchase Plan.
Rules	means these Main Board and Debt Market Listing Rules as amended from time to time.
Ruling	means any decision or determination by NZX as to the meaning or interpretation or application of the Rules and includes any ruling, waiver, or revocation of a waiver given pursuant to Rule 1.9, Rule 1.10, or Rule 1.11.
Security	
	has the meaning given in section 6 of the FMC Act.
Security Agreement	has the meaning given in Rule 7.9.1(a).
Settlement System	has the meaning set out in the Depository Rules.

Share Purchase Plan	means an offer of the kind described in Rule 7.3.4(c).
Special Division	means that division of the NZ Markets Disciplinary Tribunal constituted under Section 3 of the NZ Markets Disciplinary Tribunal Rules.
Statement	means a statement of holding of Securities complying with Rule 11.2.
Subsidiary	means: (a) a subsidiary within the meaning of section 5 of the Companies Act 1993 (read together with sections 6 to 8 inclusive of that Act); and (b) an entity treated as a subsidiary or in substance subsidiary within the meaning of any financial reporting standard approved in terms of section 19 of the Financial Reporting Act 2013.
Substantial Product Holder	has the meaning given in section 6 of the FMC Act.
Takeovers Code	means the takeovers code recorded in the Takeovers Code Approval Order 2000.
Trading Participant	has the meaning given in the NZX Participant Rules.
Treasury Stock	means shares in an Issuer which is a company registered under the Companies Act 1993, which have been acquired by that Issuer and are held by that Issuer as treasury stock pursuant to provisions of that Act which enable treasury stock to be held by a company and includes shares held by a Subsidiary of a company other than in accordance with section 82(6) of the Companies Act 1993.
Tribunal	means the NZ Markets Disciplinary Tribunal.
Trust Deed	means a trust deed governing the issue of Securities which are Quoted or intended to be Quoted.
Vendor Securities	means Equity Securities which are issued by an Issuer at or about the time of its Listing, or of the first Quotation of Securities of the same Class as those Securities, or which are issued with a view to such Listing or Quotation, and which are issued as consideration for (whether directly or indirectly), or in connection with:

(a) the acquisition by the Issuer or any Subsidiary of the Issuer of any material property (including without limitation any patent or intellectual property, or goodwill); or

(b) services provided or to be provided to the Issuer or any Subsidiary of the Issuer (whether related to its formation, promotion, or Listing, or otherwise);

and includes:

(c) any Securities issued pursuant to a consolidation, subdivision, bonus issue, or similar arrangement in respect of Securities referred to above; and

(d) any other Securities which NZX determines are Vendor Securities.

Vote means a right to vote at meetings of holders of Securities of the Issuer other than:

(a) a right to vote solely upon matters of a nature immaterial or inconsequential to the control of the Issuer, or to the control of any material part of the business or operations of the Issuer; or

(b) a right to vote only when a payment in respect of the Security in question is in arrears or some other default exists, or on a proposal to change the rights attaching to that Security, or in other circumstances of a special or remote nature; or

(c) a right to vote attaching to Securities which are not Equity Securities, exercisable only at meetings of holders of those Securities.

1.6.2 In these Rules:

(a) any reference to headings to clauses are for reference only and are not an aid in interpretation;

(b) any references to a statutory provision, regulation or exemption notice will be construed as a reference to that statutory provision, regulation or exemption notice as it may be amended or re-enacted or modified by other provisions from time to time;

(c) any reference to a person is a reference to that person and that person's successors and permitted assigns;

(d) any reference to a period of time includes the day on which the period commences and also the day on which the period ends;

(e) any reference to a day which is not a Business Day, upon or by which anything is due to be done by any person, is a reference to the next Business Day;

(f) words importing the plural include the singular and vice versa and words importing gender import all genders;

(g) a reference to conduct or engaging in conduct includes a reference to doing, refusing to do or omitting to do, any act, including the making of, or the giving effect to a provision of, an agreement. Unless the contrary intention appears, a reference to doing, refusing or omitting to do any act or thing includes a reference to causing, permitting suffering or authorising the act or thing to be done or the refusal or omission to occur;

(h) all warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person will be deemed to have been given or entered into jointly and severally;

(i) any statement required to be given or made to the best of a Person's knowledge or to be so far as a Person is aware (or any similar expression) will be deemed to include an additional statement that the statement has been made after due and careful enquiry;

(j) if a word or expression is given a particular meaning, another part of speech or grammatical form of that word or expression has a corresponding meaning;

(k) a reference to a Rule (e.g. Rule 2.4) includes a reference to all sub-Rules included under that Rule (e.g. Rule 2.4.3) and a reference to a Section (e.g. Section 2) includes a reference to all Rules and sub-Rules within that Section;

(l) a reference to time is a reference to New Zealand time and references to monetary amounts are to New Zealand currency;

(m) if the name of a body is changed in accordance with the law (whether or not the body is incorporated) or the name of an office is changed by law then a reference in these Rules to the body or office under any former name, except in relation to matters that occurred before the change took effect, is taken as a reference to the body or office under the new name;

(n) the appendices to the Rules shall have the same force and effect as if set out in the body of the Rules;

(o) the words “written” and “writing” include facsimile communications and any other means of communication resulting in permanent visible reproduction; and

(p) the word “person” includes any association of persons whether corporate or unincorporated, and any state or government or department or agency thereof, whether or not having separate legal personality.

1.6.3 In these Rules the following rules of interpretation apply:

(a) an “agreement” also includes a contract, deed, licence, franchise, undertaking or other document (in each case, oral and written) and includes that agreement as modified, supplemented, novated or substituted from time to time;

(b) “consent” also includes an approval, authorisation, exemption, filing, licence, order, permit, recording or registration (and references to obtaining consents are to be construed accordingly);

(c) a “law” includes common or customary law and any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure, in each case of any relevant jurisdiction (and “lawful” and “unlawful” shall be construed accordingly);

(d) “rights” includes authorities, discretions, remedies, powers and causes of action;

(e) a “holding company” means a company of which another company is a Subsidiary;

(f) “tax” includes any present or future tax, levy, impost, duty, rate, charge, fee, deduction or withholding imposed, assessed or levied by any governmental agency (whether state or local), and any interest, penalties, fines, costs, charges, and other liabilities arising from or payable in respect of such tax; and

(g) in the interpretation of a Rule, a construction that would promote the purpose or object underlying the Rules (whether that purpose or object is expressly stated in the Rules or not) is to be preferred to a construction which would not promote that purpose or object.

1.6.4 Unless otherwise defined in these Rules, the definitions in the NZAX Listing Rules, the NZX Participant Rules or the Derivatives Market Rules shall apply to capitalised terms in these Rules.

1.6.5 The footnotes to the Rules are intended as a guide for users and an aid in interpretation and, only to that extent, form part of the Rules.

1.6.6 Reference to an Issuer in the Rules shall, as the context permits, extend to include all members (other than another Listed entity or a Subsidiary thereof) of any group of companies and/or other entities of which the Issuer is the holding company, or in which the Issuer otherwise has a controlling interest, to the extent that such extension is necessary to ensure that the object of the Rules is not frustrated or avoided by reason of the separate legal personality of members of the group. In relation to the disclosure of information for this purpose the group includes any Associated Persons of the Issuer of which the Issuer has control in law or in fact, other than any such Associated Person which is another Listed entity or a Subsidiary thereof. Assessment of the materiality of any information in relation to such group shall be treated as if the group constituted one business

1.6.7 Terms used in the Rules which have defined meanings in the Companies Act 1993, the Securities Act 1978 and/or the FMC Act shall have the same meanings in the Rules unless the context requires otherwise.

1.6.8 If as a matter of law, or by reason of the provisions of any Constitution or other document, the holders of all Classes of Securities which carry Votes are not able to meet and vote at one meeting, then more than one meeting may be held and, for the purposes of the definition of Ordinary Resolution of the Issuer, regard may be had to the aggregate number of Votes cast in favour of and against the relevant proposal at all of the meetings held.

1.7 Appraisal Reports

1.7.1 An Appraisal Report for the purposes of the Rules shall be made by an independent appropriately qualified person previously approved by NZX. If the report states that the appraiser relies on information provided, or an opinion expressed, by another party (other than the Issuer in question or its Directors or employees) that other party shall also be approved by NZX. NZX may refuse to approve any person to provide an Appraisal Report or may revoke any prior approval given if NZX is not satisfied that the person is independent and appropriately qualified.

1. Appraisal Reports are required by Rule 4.5.8, Rule 6.2.2 and Rule 9.2.5.
2. NZX approval required of the person proposed as the appraiser, or a person on whom the appraiser relies, will be on a case by case basis, so that NZX can be satisfied as to the “independence” of the person in question in relation to the circumstances of each case.
3. As to independence, NZX should be advised when approval is being sought:
   (i) as to whether the person proposed has had or will have any relationship with the parties to the transaction; and
   (ii) as to whether any fee or benefit is payable to that person contingent on the success or implementation of the relevant transaction or any transaction complementary to or dependent

on it; and

(iii) of the number and nature of Appraisal Reports in respect of the Issuer prepared by the person proposed in the past five years; and

(iv) of the business transacted with the Issuer by the person proposed in the past five years and, where the proportion of the proposed person's total revenue that business represented in the financial year that business was transacted exceeded 5% of the proposed person's total revenue, the actual amount of revenue that business represented; and

(v) as to whether the proposed person has had any part in the formulation of the proposal of the transaction or any aspect thereof.

4. At the time a draft Appraisal Report is provided to NZX under Rule 6.1.5, an appraiser should advise NZX of any change in the information provided under Footnote 3.

There may be further queries raised by NZX in any instance. For example, NZX may take the view that a person who has, or has had, a significant advisory or professional relationship with a party to the transaction or who might otherwise be seen as particularly close to the Directors or management, may have at least the appearance of being compromised by the relationship and will not be accepted for appointment by NZX.

1.7.2 An Appraisal Report shall:

(a) be addressed to the Directors of the Issuer not associated with any relevant Associated Persons or, if there are no such Directors, to NZX, which at the expense of the Issuer will oversee the distribution of the report to holders of Securities of the Issuer. For this purpose "relevant Associated Persons" means the Associated Persons whose association or connection with the Issuer, or the Directors of the Issuer, or with the parties to a transaction or the anticipated acquirers of the Securities of an issue, results in a requirement that an Appraisal Report be obtained under the Rules; and

(b) be expressed to be for the benefit of the holders of Equity Securities of the Issuer not associated with any relevant Associated Persons (as defined in (a)); and

(c) state whether or not in the opinion of the appraiser the consideration and the terms and conditions of the relevant proposed issue or other transaction are fair to the holders of Equity Securities other than those associated with the relevant Associated Persons (as defined in (a)) and the grounds for that opinion; and

(d) state whether or not in the opinion of the appraiser the information to be provided by the Issuer to holders of its Securities is sufficient to enable holders to understand all relevant factors, and make an informed decision, in respect of the question referred to in (c) and

the grounds for that opinion; and

(e) state whether the appraiser has obtained all information which the appraiser believes desirable for the purposes of preparing the report, including all Material Information which is or should have been known to any Director of the Issuer and made available to the Directors; and

(f) state any material assumptions on which the appraiser's opinion is based; and

(g) state any term of reference which may have materially restricted the scope of the report; and

(h) if it contains a disclaimer of liability, not purport to absolve the appraiser from liability for an opinion expressed recklessly or in bad faith.

If the appraiser forms the opinion that the relevant issue or other transaction has been structured wholly or partly with a view to conferring a benefit on the relevant Associated Persons (as defined in (a)), the appraiser may have regard to, and mention, any alternative courses for acquisition or disposition of assets or services, or subscription for an issue, as the case may be, which seem to the appraiser to be reasonably available to the Issuer. The appraiser shall disregard any constraints arising from indications by the Directors that such alternative courses are not acceptable, or that they would not propose to pursue them, if any such reasons may be wholly or partly attributable to concerns about the interests of the relevant Associated Persons in distinction to the interests of the other holders of Equity Securities.

1.7.3 An Issuer may, if it so elects, circulate to holders of its Securities a summary of an Appraisal Report, rather than the report in full. If the Issuer elects to circulate a summary then that summary shall be accompanied by a certificate from the appraiser that the summary is accurate and not misleading to the beneficiaries of the report in all the circumstances likely to be generally known by the beneficiaries.

1.8 Associated Persons

1.8.1 In the Rules, a person is an Associated Person of another person if the first person is associated with the other in terms of Rule 1.8.2 to Rule 1.8.7.

1.8.2 A person (the "first person") is associated with another person (the "second person") if, in making a decision or exercising a power affecting an Issuer, the first person could be influenced as a consequence of an Arrangement or relationship existing between, or involving, the first person and the second person.

1.8.3 Without limiting Rule 1.8.2, the first person is associated with the second person if:

(a) the first person is a company, and the second person is:

(i) Director of that company; or

(ii) Related Company of that company; or

(iii) Director of a Related Company of that company; or

(b) the first person is a spouse, domestic companion, child or parent of the second person, or a nominee or trustee for any of them or for the second person; or

(c) the first person is a Director of a company, or holds a Relevant Interest in Securities carrying more than 10% of the Votes of a company and the first person and the second person are parties to an Arrangement relating to the control of, or the control or ownership of Securities in, that company, which Arrangement affects Securities of that company carrying more than 30% of the total Votes attaching to Securities of that company; or

(d) the first person and the second person are acting jointly or in concert; or

(e) the first person and/or the second person propose to do, or are likely to do, anything which will cause them to become associated in terms of paragraphs (a) to (d) above or Rule 1.8.2

1.8.4 The first person is not associated with the second person solely because:

(a) the first person acts as a professional or business adviser to the second person, without a personal financial interest in the outcome of that advice; or

(b) the first person is a Trading Participant or other person whose ordinary business includes dealing in Securities on behalf of others, and the first person acts in accordance with the specific instructions of the second person to deal in Securities; or

(c) the first person acts as a proxy or representative of the second person for the purposes of a meeting of holders of Securities of a company or other entity.

1.8.5 If the first person is associated with the second person in terms of Rule 1.8.2 to Rule 1.8.4, then the second person shall be deemed to be associated with the first person.

1.8.6 Notwithstanding anything in this Rule 1.8, persons shall not be associated if NZX makes a Ruling that they are not associated.

1.8.7 For the purposes of this Rule 1.8, “Arrangement” means an agreement, arrangement, or understanding, whether express or implied, and whether

or not legally enforceable.

1. The definition of “Associated Person” is broad. If there is any doubt as to whether any two or more persons are Associated Persons, Issuers should seek a Ruling from NZX in terms of Rule 1.8.6.
2. If a connection between two persons of the nature referred to in Rule 1.8.3(c) or Rule 1.8.3(d) is not related to the matter in respect of which the question of whether those persons are Associated Persons is required to be determined, NZX will readily grant a Ruling that those persons are not Associated Persons.

1.9 Disputed Interpretation

1.9.1 In the event of a dispute or anticipated dispute between an Issuer and any Security holder of that Issuer having the benefit of the Rules, as to the meaning of any of the provisions of the Rules, upon application of either of them, the matter may, if NZX elects to exercise this power, be determined by NZX.

1.9.2 Any party to a dispute or anticipated dispute who is entitled to apply to NZX for a determination under Rule 1.9.1 and seeks such a determination shall give written notice to NZX. The notice shall contain a summary of the relevant facts known to the applicant and any explanation necessary to enable NZX to know the issues which are or may be in dispute and to identify which, if any, other parties or potential parties should be given notice of the application and invited to make submissions.

1.9.3 Before any action at law is commenced by a party to, or Security holder having the benefit (pursuant to Rule 2.1) of, the contract represented by the Rules, which involves determination of a dispute as to the meaning or application of the Rules, such party shall apply to have a determination made by NZX pursuant to Rule 1.9.1 as a condition precedent to the commencement of such proceedings.

Rule 1.9.3 is analogous to a Scott v Avery clause used in arbitration provisions, and is intended to have the same effect.

1.10 Rulings

1.10.1 NZX may, on request or of its own motion and whether or not a dispute exists, by written notice to the Issuer concerned, make rulings as to the meaning, interpretation or application of any one or more of the provisions of the Rules for such period and on such terms and conditions as NZX may determine.

1.10.2 Unless the Issuer establishes, to the satisfaction of NZX, grounds for maintaining confidentiality of NZX’s decision with respect to a ruling application made by that Issuer or, unless NZX determines in its sole discretion not to publish its decision with respect to a ruling application, NZX will publish that decision and the identity of that Issuer and the facts of that application and the grounds for determining that application will be

disclosed.

1. NZX will generally consider that rulings sought in anticipation of a transaction will be grounds for confidentiality until such transaction is announced to the market. If the transaction does not proceed, the ruling sought will not lose its confidentiality.
2. All applications for rulings should be submitted to NZX at least 10 Business Days prior to the Issuer requiring a determination. Where applications are not submitted to NZX at least 10 Business Days prior to the Issuer requiring a determination, the Issuer may be charged an urgency fee.

1.10.3 Any ruling given pursuant to Rule 1.10.1 shall have effect according to its tenor as if it formed part of the Rules in relation to the Issuer concerned and may be recorded or publicised in such manner as NZX thinks fit.

1. Rule 1.10.1, Rule 1.9 and Rule 1.11 are intended to exclude the Court's role in interpreting the Rules only where and to the extent that NZX has made a relevant Ruling before the date on which the substantive court hearing could occur. Because the Rules, although contractual, assume the exercise of broad discretions in some areas, the rights and entitlement conferred under the Rules are to be read subject to the possibility of exercise of the powers and discretions reserved to NZX.
2. Any ruling given pursuant to Rule 1.10.1 will be provided to the Issuer not less than one half a Business Day prior to publication by NZX and should be kept confidential to the Issuer until published by NZX. The Ruling to be provided is a final decision, and will not be for comment by the Issuer. The Ruling is provided to facilitate the Issuer dealing with the publication of the Ruling by NZX.
3. Issuers making applications for rulings should complete any templates promulgated by NZX for this purpose and all information necessary for NZX to determine such application should be provided at the time of application. Where NZX requires the Issuer to provide additional information in respect of an application for a ruling, NZX will have 10 Business Days from the date all information is finally provided to make its determination. An Issuer must comply with any NZX timetable for provision of information and any information received after the date set out in the timetable may not be considered by NZX.
4. Where an Issuer wishes its application for ruling and NZX's decision on that ruling application to be treated in confidence it should specify this in its application and include grounds in support of this.

1.11 Waiver

1.11.1 NZX may, in any particular case or cases, by written notice to the Issuer concerned, waive the application of any one or more of the provisions of the Rules for such period (whether commencing before or after the date of the notice) and on such terms and conditions as NZX may determine.

1.11.2 Unless the Issuer establishes, to the satisfaction of NZX, grounds for

maintaining confidentiality of NZX's decision with respect to a waiver application made by that Issuer, or unless NZX determines in its sole discretion not to publish its decision with respect to a waiver application, NZX will publish that decision and the identity of that Issuer and the facts of that application and the grounds for determining that application will be disclosed.

1. NZX will generally consider the waivers sought in anticipation of a transaction to be grounds for confidentiality until such transaction is announced to the market. If the transaction does not proceed, the waiver sought will not lose its confidentiality.
2. All applications for waivers should be submitted to NZX at least 10 Business Days prior to the Issuer requiring a determination. Where applications are not submitted to NZX at least 10 Business Days prior to the Issuer requiring a determination, the Issuer may be charged an urgency fee.

1.11.3 Any waiver granted under Rule 1.11.1 may be revoked at any time by NZX by written notice to the Issuer concerned and such a revocation shall have effect from the date stated in the notice (which may be before the date of the notice if NZX considers that the waiver was granted on the basis of incorrect information).

1.11.4 Subject to Rule 1.11.2 NZX may publish such information relating to a waiver granted or refused under Rule 1.11.1, or revocation of a waiver under Rule 1.11.3, as it considers desirable.

1. Any waiver given pursuant to Rule 1.11.1 will be provided to the Issuer not less than one half a Business Day prior to publication by NZX and should be kept confidential to the Issuer until published by NZX. The waiver to be provided is a final decision, and will not be for comment by the Issuer. The waiver is provided to facilitate the Issuer dealing with the publication of the waiver by NZX.
2. NZX shall consider retrospective waivers only in exceptional circumstances where a minor or inadvertent breach of an Issuer would incur severe consequences for such Issuer if the application were not considered by NZX.
3. Issuers making applications for waiver should complete any templates promulgated by NZX for this purpose and all information necessary for NZX to determine such application should be provided at the time of application. Where NZX requires the Issuer to provide additional information in respect of an application for a waiver, NZX will have 10 Business Days from the date all information is finally provided to make its determination. An Issuer must comply with any NZX timetable for provision of information and any information received after the date set out in the timetable may not be considered by NZX.
4. Where an Issuer wishes its application for waiver and NZX's decision on that waiver application to be treated in confidence it should specify this in its application and include grounds in support of this.

1.12 Interpretation Policy

1.12.1 In the exercise of the powers to make Rulings NZX shall be guided by the policies set out or explained in the footnotes to the Rules and any other practice notes or relevant Rulings promulgated to Issuers.

1.12.2 In addition to the policy statements referred to in Rule 1.12.1 NZX may from time to time issue further policy statements and practice notes which will have a similar status in the application of the Rules.

1.13 Special Division

1.13.1 In respect of the Listing of NZX these Rules shall be administered by the Special Division in accordance with Section 3 of the NZ Markets Disciplinary Tribunal Rules

1.14 Rules Which Apply to Issuers

1.14.1 All the provisions of the Rules apply to an Issuer of Equity Securities of which are Quoted.

1.14.2 All the provisions of the Rules, other than those listed in Appendix 5, apply to an Issuer that does not have Equity Securities Quoted.

1.14.3 All the provisions of the Rules, other than those set out in Appendix 14, apply to an issuer of Quoted equity warrants which has no other Equity Securities Quoted.

1. The application of the Rules to Overseas Listed Issuers is dealt with in Rule 5.1.7.
2. The application of the Rules to Dual Listed Issuers is dealt with in Rule 5.1.5.

1.15 Transitional Provisions

1.15.1 If:

(a) The constitution of an Issuer complied with the provisions of the NZSX/ NZDX Listing Rules in force before 3 April 2009; and

(b) That Issuer is prevented by the terms of that Constitution from complying with any provision of the Rules.

then such non-compliance shall, so long as the Issuer complies with Rule 1.15.2, and for so long as the Constitution of the Issuer prevents compliance, be deemed not to be in breach of the Rules.

1.15.2 If Rule 1.15.1 applies in respect of an Issuer, then before any non-compliance with the Rules occurs that Issuer shall advise NZX of:

(a) The provision of the Rules which will not be complied with; and

(b) Details of the nature of that non-compliance; and

(c) Details of the provisions of the Constitution of the Issuer which prevents compliance.

Rule 1.15.2 is intended to require an Issue to advise NZX of any specific non-compliance with the Rules when that non-compliance occurs, and of the provision of the Issuer's Constitution which gives rise to that non-compliance. Rule 1.15.2 does not require Issuers to conduct a general review of their existing Constitutions to determine the circumstance (if any) in which the Constitution may prevent compliance with the Rules.

1.15.3 Any waivers granted by NZX pursuant to the NZSX/ NZDX Listing Rules in force before 3 April 2009 shall be deemed to be a waiver given pursuant to Rule 1.11, and shall (subject to the power of NZX pursuant to Rule 1.11.2) continue in force notwithstanding the introduction of these Rules.

1.16 Condition in Contract

1.16.1 Each Issuer shall ensure that its obligations, and the obligations of its Subsidiaries, under every agreement involving a transaction, which in terms of the Rules requires approval by a resolution of holders of Securities, shall be conditional upon the passage of such a resolution in accordance with the Rules and the transaction shall not be completed until that resolution is passed.

1.16.2 If that resolution is not passed, the Issuer shall terminate its obligations, or the obligations of its Subsidiary, under that agreement, so that the transaction in question does not proceed.

1.17 Governing Law and Jurisdiction

1.17.1 These Rules shall be governed by and construed in accordance with the law of New Zealand. Each Issuer shall be deemed, by entering into a Listing Agreement with NZX, to have irrevocably submitted to the non-exclusive jurisdiction of the Courts of New Zealand.

Main Board/Debt Market Listing Rules

Section 2: Compliance and Enforcement

2.1 Contracts Privity Act to Apply

2.1.1 Subject to Rule 2.1.2, the provisions of the Rules are hereby declared to be a contract enforceable against each Issuer for the benefit of every person who is or was a holder of Quoted Securities of that Issuer in the period in which the Issuer is or was Listed, and the Contracts (Privity) Act 1982 shall apply accordingly.

2.1.2 Nothing in Rule 2.1.1, or in the status of holders of Quoted Securities referred to in that Rule as beneficiaries of the Rules under the Contracts (Privity) Act 1982, shall:

(a) entitle such persons to take action against NZX or Tribunal, whether to challenge the right of NZX or the Tribunal to exercise or not exercise its powers under the Rules in such manner as it thinks fit, or for the consequences of any such exercise or non-exercise; or

(b) limit or affect the rights of NZX or the Tribunal in respect of the Rules and in particular (but without limitation) the absolute discretion to make Rulings and to change or revoke all or any of the Rules; or

(c) entitle any person other than NZX to the benefit of, or to exercise, the rights and powers provided in Rule 2.3; or

(d) entitle any person to prior, or any, notice of a Ruling; or

(e) entitle any person to pursue any proceedings to enforce any provision of the Rules which is the subject of a current Ruling, other than on the basis of and in accordance with such Ruling.

2.2 Compliance By Subsidiaries, Officers, and Associates

2.2.1 Every Issuer shall take all steps within its powers to ensure that:

(a) no Subsidiary of the Issuer; and

(b) no person who is acting in concert with the Issuer or any of its Subsidiaries for purposes relevant to the Rules,

does anything which would cause that Issuer to be in breach of the Rules.

See also Rule 1.6.6 which extends the effect of the Rules to any group of companies or other entities of which an Issuer is the holding company.

2.2.2 Every Issuer shall ensure that every Director of the Issuer shall, forthwith after his or her appointment as such, deliver to NZX a signed acknowledgement to the effect that:

(a) the Director is aware that the Issuer is contractually bound to observe the Listing agreement between the Issuer and NZX, and the Rules from time to time; and

(b) the Director will use his or her best endeavours to procure compliance by the Issuer with the Listing Rules.

2.3 Issuer Surveillance

2.3.1 The NZX Regulation Personnel on their own accord or pursuant to a request made of them by the Tribunal, and the Tribunal and any other person authorised by NZX may, for the purpose of ascertaining whether an Issuer is complying or has complied with the Rules, or of ascertaining whether NZX should exercise in respect of an Issuer any rights or powers under the Rules:

(a) require the Issuer or, require the Issuer to procure, any Director, officer, employee or agent of the Issuer or any Subsidiary thereof to produce for inspection any books, papers, registers, records, or accounts (whether recorded in documentary or electronic form) (for the purposes of this Rule 2.3.1 together "information") that are held by the person concerned; and

(b) inspect and make copies of, or take notes from, such information; and

(c) if necessary for the purpose of making copies or taking records thereof, take possession of any such information, and remove it from the premises where it is kept, for such period of time as is reasonable to make such copies or records; and

(d) require the Issuer or, require the Issuer to procure, any Director, officer, employee or agent of the Issuer or any Subsidiary thereof to appear for interview.

2.3.2 Where NZX Regulation Personnel are exercising their powers under Rule 2.3.1 pursuant to a request by the Tribunal, or other person authorised under Rule 2.3.1, NZX Regulation Personnel shall deliver to the Tribunal or that other Person authorised under Rule 2.3.1 making that request all information obtained pursuant to Rule 2.3.1.

2.3.3 Where the Tribunal or any other person authorised under Rule 2.3.1 exercising its powers under Rule 2.3.1 obtains information from an Issuer, the Tribunal or that other person authorised under Rule 2.3.1 shall provide that information to NZX if:

(a) The Tribunal or that other person authorised under Rule 2.3.1 considers that that information should have been made available to NZX by that Issuer or otherwise pursuant to the Rules; or

(b) The Tribunal or that other person authorised under Rule 2.3.1 considers that that information discloses some other breach of the Rules.

2.3.4 Information obtained pursuant to Rule 2.3.1 shall not be disclosed by NZX Regulation Personnel, the Tribunal or any person authorised under Rule 2.3.1 to any person, except:

(a) as required to discharge their functions and/or to exercise powers conferred by these Rules; or

(b) if disclosure is required by law; or

(c) if disclosure is to a solicitor, accountant, or other professional adviser of NZX, NZX Regulation Personnel, the Tribunal, or any other person authorised under Rule 2.3.1; or

(d) in accordance with Rule 2.3.2, Rule 2.3.3 or Rule 2.3.5; or

(e) to NZX including the NZX Chief Executive and the NZX Board; or

(f) to any other person as required or permitted by the FMC Act; or

(g) to any other person with whom NZX has a Reciprocal Arrangement in accordance with that Reciprocal Arrangement.

2.3.5 Where NZX Regulation Personnel have exercised their powers under Rule 2.3.1 and NZX Regulation Personnel consider that the information obtained discloses a breach of the Rules, NZX Regulation Personnel may disclose to the Tribunal so much of that information as is necessary to disclose the fact and nature of the breach and may bring a charge against the Issuer for such alleged breach, such charge to be heard in accordance with the Tribunal Rules. In addition to disclosing the information obtained under Rule 2.3.1, NZX Regulation Personnel shall disclose to the Tribunal all other facts and circumstances of which it is aware relating to the alleged breach of the Rules and which is relevant to the charge brought.

2.3.6 All information given to NZX by the Tribunal under Rule 2.3.3 or given to NZX under Rule 2.3.1 may be dealt with by NZX in all respects as if it had been supplied by the Issuer in compliance with the Rules, and accordingly fell within Rule 10.1.4.

2.3.7 A document signed by the Head of Market Supervision, or by the Chairperson of the Tribunal (as defined in the NZ Markets Disciplinary Tribunal Rules), or by the chairperson of any Division (as defined in the NZ Markets Disciplinary Tribunal Rules) of the Tribunal warranting the

appointment of any person to exercise the powers of NZX or the Tribunal set out in this Rule 2.3 shall be conclusive evidence of the authority thereby warranted. Such a document may be general or specific to the circumstances of a particular case.

2.3.8 Any exercise by NZX of the power set out in Rule 2.3.6 shall, in absence of agreement of the Issuer concerned, require at least one Business Day's prior written notice to the Issuer of the intention to exercise such power (which notice may be in a general form), unless NZX Regulation Personnel have certified that the notice period shall not apply in any particular case, and such certification indicating the reasons therefore is shown to the Issuer on request.

2.4 NZ Markets Disciplinary Tribunal

2.4.1 NZX shall appoint NZ Markets Disciplinary Tribunal which shall have the powers, rights and discretions set out in the NZ Markets Disciplinary Tribunal Rules which are incorporated by reference into these Rules.

2.5 Liability and Indemnity

2.5.1 None of NZX, any director or employee of NZX, any NZX Regulation Personnel nor any delegate of NZX shall be liable in tort, contract, or otherwise for any action taken or not taken in exercise or purported exercise in good faith of the powers or discretions conferred by the Rules.

2.5.2 Each Issuer shall indemnify NZX, each director or employee of NZX, all NZX Regulation Personnel and each delegate of NZX under the Rules against all liabilities and claims which may arise (notwithstanding the limitation in Rule 2.5.1) in relation to any action or inaction by any such person in connection with such Issuer, which NZX determines to have been taken or not taken in good faith and in response to circumstances for which the Issuer should bear the responsibility in whole or in part. The indemnity shall be for all or such part of the liabilities and claims as NZX determines in the circumstances.

2.5.3 Rule 2.5.1, Rule 2.5.2 and Rule 2.6.1 shall continue to apply in all respects to the Market Surveillance Panel constituted under the Rules until 1 May 2004 and any member or delegate of the Panel, in respect of all acts or omissions of the Panel, its members or delegates whilst it was in existence under these Rules in the form they stood immediately prior to their revocation or amendment on 1 May 2004.

2.6 Costs

2.6.1 An Issuer shall, when called upon by NZX to do so, pay all costs and expenses incurred by NZX, NZX Regulation Personnel and Tribunal and any person authorised by NZX in carrying out the functions and exercising the rights and powers conferred by the Rules in respect of that Issuer. The costs and expenses so payable may include an appropriate proportion of

the remuneration and other overhead costs of NZX in relation to such matters.

2.6.2 Every applicant for Listing shall, before it is Listed, deliver to NZX a bond in a form approved by NZX, for an amount determined by NZX in accordance with Rule 2.6.3, and given by a person approved by NZX for this purpose. Any Issuer which has not complied with this Rule before Listing shall do so when required by NZX. NZX may, in respect of any applicant for Listing or Issuer, agree to accept, in lieu of a bond, a deposit of money on such terms as NZX may determine.

2.6.3 Each deposit or bond made or given pursuant to Rule 2.6.2 shall be made or given to secure to NZX the payment of all moneys payable to NZX by the Issuer under the Rules. NZX may from time to time determine the amount of each such deposit or bond. If NZX increases that amount, each Issuer shall upon request by NZX increase the amount of the deposit made by that Issuer, or procure the amount of the bond provided in respect of that Issuer to be increased. If any portion of a deposit or bond is applied in payment of moneys payable to NZX by the Issuer, the Issuer shall forthwith cause the deposit or bond to be reinstated to its previous amount.

NZSX/ NZDX Listing Rules

Section 3: Constitutions, Trust Deeds and Directors

3.1 Contents of Constitution

3.1.1 The Constitution of each Issuer shall:

(a) either incorporate by reference or contain provisions consistent with, and having the same effect as, the provisions listed in Appendix 6, as such provisions apply from time to time and as modified by any Ruling relevant to the Issuer; and

(b) in the case of any Issuer which is not a Code Company, either incorporate by reference or contain the provisions required by Section 4; and

(c) contain a provision to the effect that, for so long as the Issuer is Listed, the Issuer shall comply with the Rules; and

(d) contain a provision to the effect that if NZX has granted a Ruling in relation to that Issuer authorising any act or omission which in the absence of that Ruling would be in contravention of the Rules or the Constitution that act or omission shall, unless a contrary intention appears in the Constitution, be deemed to be authorised by the Rules and by the Constitution; and

(e) not contain any provision inconsistent with the Rules as modified by any Ruling relevant to the Issuer and shall in any event include a provision that provides that if a provision in the Constitution is inconsistent with the Rules, the Rules shall prevail.

3.1.2 The Constitution may contain a provision to the effect that:

(a) failure to comply with the Rules; or

(b) failure to comply with a provision of the Constitution corresponding with a provision of the Rules,

shall not affect the validity or enforceability of any transaction, contract, action or other matter whatsoever (including the proceedings of, or voting at, any meeting) done or entered into by, or affecting, the Issuer, except that a party to a transaction or contract who knew of the failure to comply with the Rules or those provisions of the Constitution shall not be entitled to enforce that transaction or contract. That provision shall contain a statement

making it clear that the provision does not affect the rights of any holder of Securities of the Issuer against the Issuer or the Directors of the Issuer arising from failure to comply with the Rules or those provisions of the Constitution.

3.1.3 Subject to applicable law and the other provisions of the Rules (and in particular Rule 1.15), each Issuer shall comply at all times with all of the provisions listed in Appendix 6 (except insofar as they have been waived or varied in relation to that Issuer by a Ruling) as if provisions giving effect to them were incorporated in, included in, or formed part of the Constitution of that Issuer, whether or not they are so included.

3.2 Trust Deeds for Debt Securities

3.2.1 Every Trust Deed governing Debt Securities shall provide that:

(a) the appointment of a new trustee is to be approved by an extraordinary resolution of the holders of the Securities to which the Trust Deed relates; and

(b) where the Securities to which the Trust Deed relates are to be repaid or made callable on demand with interest on maturity the holder is entitled to be repaid without having to give notice that repayment is required; and

(c) where the Trust Deed entitles the Issuer or any other person to redeem the Securities (whether for cash or for non cash consideration), the redemption shall be made either at market value or at a value not exceeding the maximum value stated in or derived pursuant to the deed; and

(d) a meeting of Security holders shall be called on a requisition in writing signed by holders of not less than 10% of the amount of the Securities for the time being outstanding, or such other number of holders as required by section 120(b) of the FMC Act (if applicable); and

(e) the necessary majority for passing an extraordinary resolution shall be not less than 75% of the persons voting thereon on a show of hands and, if a poll is demanded, then not less than 75% of the Votes cast; and

shall contain such other provisions as NZX may require in any particular case for the protection of holders of the Securities in question.

1. NZX does not consider it appropriate or practical to lay down the nature, categories or extent of borrowing or other restrictions which a trust deed should impose. NZX may

however, consider that a Trust Deed which has no, or patently inadequate, restrictions or provisions for the protection of the lenders is not in an appropriate form and may refuse Quotation of Debt Securities issued under such a deed if it considers that the inadequacies have not been properly disclosed to the market or are not readily ascertainable from the Offering Document, Advertisement or other material published by the Issuer.

2. NZX may require that a Trust Deed for Debt Securities that it has Ruled are Equity Securities, or a Trust Deed for Securities Convertible into Equity Securities comply with Rule 3.1.

3.3 Appointment and Rotation of Directors

3.3.1 The composition of the Board shall include the following:

(a) the minimum number of Directors (other than alternate Directors) shall be three; and

(b) at least two Directors shall be ordinarily resident in New Zealand; and

(c) the minimum number of Independent Directors shall be two or, if there are eight or more Directors, three or one-third (rounded down to the nearest whole number of Directors) of the total number of Directors, whichever is the greater.

An example under Rule 3.3.1(c) is if an Issuer has ten Directors, three of them must be Independent Directors.

3.3.2 The Board must identify which Directors it has determined, in its view, to be Independent Directors.

3.3.3 The Board must make a determination under Rule 3.3.2:

(a) no later than 10 Business Days following an appointment of a Director by Security holders. Immediately after making such a determination the Issuer shall release to the market whether the Board has determined that the Director is in Independent Director unless a determination by the Board in relation to that Director was disclosed under Rule 10.4.5(l) in the most recently published annual report; and

(b) no later than 10 Business Days following appointment by the Board in respect of any Director appointed by the Board and immediately after making such determination, the Issuer shall release to the market whether the Board has determined that such Director is an Independent Director; and

(c) prior to publication of its annual report to enable it to

comply with Rule 10.4.5(l).

Issuers should note the requirements of Rule 2.2.2 following the appointment of a Director.

3.3.4 It is the responsibility of the Issuer to make the necessary arrangements to require its Directors to provide sufficient information to the Board in order for the Board to make a determination under Rule 3.3.2.

3.3.5 No person (other than a Director retiring at the meeting) shall be elected as a Director at an annual meeting of Security holders of an Issuer unless that person has been nominated by a Security holder entitled to attend and vote at the meeting. There shall be no restriction on the persons who may be nominated as Directors (other than the holding of qualification shares, if the Constitution so requires) nor shall there be any precondition to the nomination of a Director other than compliance with time limits in accordance with this Rule 3.3.5. The closing date for nominations shall not be more than two months before the date of the annual meeting at which the election is to take place. An Issuer shall make an announcement to the market of the closing date for Director nominations and contact details for making nominations no less than 10 Business Days prior to the closing date for Director nominations. Notice of every nomination received by the Issuer before the closing date for nominations shall be given by the Issuer to all persons entitled to attend the meeting together with, or as part of, the notice of the meeting and the Issuer shall specify in such notice the Board's view on whether or not the nominee would qualify as an Independent Director.

3.3.6 Any person who is appointed as a Director by the Directors shall retire from office at the next annual meeting of the Issuer, but shall be eligible for election at that meeting.

3.3.7 No Director may appoint another person to act as alternate Director for him or her, except with the consent of a majority of his or her co-Directors. That appointment may be revoked by a majority of his or her co-Directors or by the Director who appointed the alternate. A Director may not be appointed to act as alternate for another Director. No Director shall appoint a deputy or agent otherwise than by way of appointment of an alternate.

3.3.8 The Constitution may give a Security holder the right to appoint Directors, so long as:

(a) the proportion which the number of such Directors bears to the total number of Directors expected to hold office immediately after such appointment does not exceed the proportion of the total Votes of the Issuer attaching to

Securities held by the appointer; and

(b) if the appointer exercises its rights to appoint Directors, then the appointer has no right to Vote upon the election of other Directors.

The annual report must identify Directors appointed under this Rule 3.3.8 – see Rule 10.4.5(m).

3.3.9 No term of appointment of an Executive Director of an Issuer or any of its Subsidiaries, shall exceed five years. This provision shall not preclude reappointment of an Executive Director upon expiry of a term of appointment, and shall not affect the terms of the engagement of that Executive Director as an employee.

3.3.10 All Directors (other than a Director appointed pursuant to Rule 3.3.8) shall be subject to removal from office as Director by Ordinary Resolution of the Issuer.

3.3.11 Subject to Rule 3.3.12, at least one third of the Directors or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office at the annual meeting each year, but shall be eligible for re-election at that meeting. Those to retire shall be those who have been longest in office since they were last elected or deemed elected.

For example, if there are seven Directors on the Board, two must retire in accordance with this Rule and, if there are eleven Directors on the Board, four must retire in accordance with this Rule.

3.3.12 The following Directors shall be exempt from the obligation to retire pursuant to Rule 3.3.11:

(a) Directors appointed pursuant to Rule 3.3.8; and

(b) Directors appointed by the Directors, who are offered for re-election pursuant to Rule 3.3.6; and

(c) one Executive Director (if the Constitution so provides).

The Directors referred to in (a) and (c) shall be included in the number of Directors upon which the calculation for the purposes of Rule 3.3.11 is based. The Directors referred to in (b) shall be excluded from that number.

Rule 3.3.15 deals with the obligation of the holder of a special office such as “Founder President” to retire by rotation.

3.3.13 No resolution to appoint or elect a Director (including a resolution to re-elect any Director under Rule 3.3.6) shall be put to holders of Securities unless:

(a) the resolution is for the appointment of one Director; or

(b) the resolution is a single resolution for the appointment of two or more Directors, and a separate resolution that it be so voted on has first been approved without a Vote being cast against it.

Nothing in this Rule 3.3.13 prevents the election of two or more Directors by ballot or poll.

3.3.14 An Issuer may, with the prior approval of NZX, provide in its Constitution for the appointment of a person to a special office such as “Founder President”. If the person holding that office is a Director, then (subject to Rule 3.3.15) all of the provisions of the Rules as to Directors shall apply to that person

3.3.15 A holder of a special office in terms of Rule 3.3.14 who is also a Director shall not be subject to retirement by rotation under Rule 3.3.11, provided that:

(a) the holder of a special office shall retire every fifth year following appointment to the special office, as if Rule 3.3.11 applied to him or her in that year; and

(b) the holder of the special office shall in each year be included in the number of Directors upon which the calculation for the purposes of Rule 3.3.11 is based; and

(c) if an Executive Director holds office and is exempted from retirement by rotation under Rule 3.3.12, this Rule shall not apply, and the holder of the special office shall be subject to retirement by rotation under Rule 3.3.11

NZX has a complete discretion whether or not to approve the creation of a special office. NZX will not in any event approve the creation of a special office unless:

(a) it is created in respect of a specified individual who has had a special connection with the Issuer (e.g., a foundation director) and who is regarded as having been a very significant and outstanding contributor to the Issuer or its associated companies over a period of not less than 15 years, and who has acquired a public reputation in that regard, deserving of special recognition; and

(b) the proposal has the unanimous support of the Directors of the Issuer.

3.4 Proceeding and Powers of Directors

3.4.1 Directors may act notwithstanding any vacancy in their body but, if and for so long as their number is reduced below the number fixed by the Constitution as the minimum number of Directors, the continuing Directors may act for the purpose of increasing the number of Directors to that number or of summoning a general meeting of the Issuer, but for no other purpose.

3.4.2 In cases where two Directors form a quorum, the chairperson of a meeting at which only two Directors are present shall not have a casting vote.

3.4.3 Subject to Rule 3.4.4, a Director shall not vote on a Board resolution in respect of any matter in which that Director is interested, nor shall the Director be counted in the quorum for the purposes of consideration of that matter. For this purpose, the term “interested” bears the meaning assigned to that term in section 139 of the Companies Act 1993, on the basis that if an Issuer is not a company registered under that Act, the reference to the “company” in that section shall be read as a reference to the Issuer.

3.4.4 Notwithstanding Rule 3.4.3, a Director of an Issuer which is a company registered under the Companies Act 1993 may vote in respect of and be counted in the quorum for the Board for the purposes of a matter in which that Director is interested if that matter is one in respect of which, pursuant to an express provision of that Act, Directors are required to sign a certificate or one which relates to the grant of an indemnity pursuant to section 162 of the Companies Act 1993.

3.5 Directors' Remuneration

3.5.1 No remuneration shall be paid to a Director of an Issuer by that Issuer or any of its Subsidiaries in his or her capacity as a Director of the Issuer or any of its Subsidiaries unless that remuneration has been authorised by an Ordinary Resolution of the Issuer, other than remuneration paid to a Director by a Subsidiary that has Equity Securities Quoted. Each such resolution shall express Directors' remuneration as either:

(a) a monetary sum per annum payable to all Directors of the Issuer taken together; or

(b) a monetary sum per annum payable to any person who from time to time holds office as a Director of the Issuer.

Such a resolution may expressly provide that the remuneration may be payable either in part or in whole by way of an issue of Equity Securities, provided that issue occurs in compliance with Rule 7.3.8.

If remuneration is expressed in accordance with (a), then in the event of an increase in the total number of Directors of the Issuer holding office, the Directors may, without the authorisation of an Ordinary Resolution of the Issuer, increase the total remuneration by such amount as is necessary to enable the Issuer to pay to the additional Director or Directors of the Issuer remuneration not exceeding the average amount then being paid to each of the other non-Executive Directors (other than the chairperson) of the Issuer.

No resolution which increases the amount fixed pursuant to a previous resolution shall be approved at a general meeting of the Issuer unless notice of the amount of increase has been given in the notice of meeting. Nothing in this Rule 3.5.1 shall affect the remuneration of Executive Directors in their capacity as executives.

Directors' remuneration for work not in the capacity of a Director of the Issuer or a Subsidiary may be approved by the Directors without Shareholder approval, subject to Rule 9.2 (if applicable).

1. Rule 3.5.1 is intended to enable a meeting of an Issuer to fix Director's remuneration either as an overall sum payable to all Directors of the Issuer (which may be divided up amongst the Directors of the Issuer in such manner as they see fit) or as an amount per Director

2. Note that full disclosure in the annual report of Directors' remuneration is required by virtue of s.211(1)(f) of the Companies Act 1993.

3.5.2 An Issuer may make a payment to a Director or former Director of that Issuer, or his or her dependents, by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, only if the amount of the payment, or the method of calculation of the amount of that payment is authorised by an Ordinary Resolution of the Issuer provided that an Issuer may make a payment to a Director or former Director that was in office on or before 1 May 2004 and has continued to hold office since that date, or to his or her dependents, by way of a lump sum or pension, upon or in connection with the retirement or cessation of office of that Director, without an Ordinary Resolution of the Issuer provided that the total amount of that payment (or the base for the pension) does not exceed the total remuneration of that Director in his or her capacity as a Director in any three years chosen by the Issuer.

Nothing in this Rule 3.5.2 shall affect any amount paid to an Executive Director upon or in connection with the termination of his or her employment with the Issuer, or the payment of any amount attributable to the contribution (or any normal subsidy related thereto) made by a Director to a superannuation scheme.

1. Rule 9.3.1 deals with the persons entitled to vote on a resolution under this Rule 3.5.2.
2. Any resolution of Security holders that may affect the total amount payable to a Director or Directors as previously approved under Rule 3.5.2 must disclose that fact, the total amount that would be payable to that Director or Directors if the resolution is approved and why the resolution will affect the total amount payable to that Director or Directors.

3.6 Audit Committee

3.6.1 Each Issuer shall establish an Audit Committee.

3.6.2 The Audit Committee shall:

(a) be comprised solely of Directors of the Issuer; and

(b) have a minimum of three members; and

(c) have a majority of members that are Independent Directors; and

(d) have at least one member with an accounting or financial background.

3.6.3 The responsibilities of an Issuer's Audit Committee include as a minimum:

(a) ensuring that processes are in place and monitoring those

processes so that the Board is properly and regularly informed and updated on corporate financial matters; and

(b) recommending the appointment and removal of the independent auditor; and

(c) meeting regularly to monitor and review the independent and internal auditing practices; and

(d) having direct communication with and unrestricted access to the independent and any internal auditors or accountants; and

(e) reviewing the financial reports and advising all Directors whether they comply with the appropriate laws and regulations; and

(f) ensuring that the external auditor or lead audit partner is changed at least every five years.

1. A member of the Audit Committee will be deemed to have adequate accounting or financial background if he or she:

   (a) is a member of the Institute of Chartered Accountants of New Zealand, or has held a Chief Financial Officer position at an Issuer for a period greater than 24 months; or

   (b) has successfully completed a course approved by NZX for Audit Committee membership; or

   (c) has the experience and/or qualifications deemed satisfactory by the Board.

2. NZX may waive the requirement to change the external auditor or lead audit partner if the Issuer is a “public entity” under section 4 of the Public Audit Act 2001.

Main Board/Debt Market Listing Rules

Section 4 – Takeover Provisions for Issuers Which Are Not Code Companies

4.1 Interpretation

4.1.1 In this Section 4 unless the context otherwise requires:

Acquisition Notice has the meaning given in Rule 4.8.1.

Affected Group means:

(a) in respect of a Restricted Transfer effected otherwise than by trades matched through NZX's order matching market each of:

(i) the group comprised of persons who are not recipients (disregarding inadvertent non-receipt) of the offer or invitation which would implement the proposed Transfers;

(ii) if the Transfers are not of an equal proportion of all holdings which are offered for disposal, the groups comprised of Transferors whose Transfers represent substantially identical proportionate parts of the holdings offered by them; and

(iii) the group comprised of persons who are not members of the groups described in (i) and (ii) and who are not the Transferees and other persons whose Relevant Interests would be taken into account in determining whether the Transfer is a Restricted Transfer, but disregarding the proviso to the definition of Restricted Transfer;

(b) in respect of a Restricted Transfer effected by trades matched through NZX's order matching market, the

group comprised of those other than:

(i) the persons whose control of Votes would in aggregate determine whether the Transfer is a Restricted Transfer; and

(ii) insiders.

Affected Securities	has the meaning given in Rule 4.8.1.
Compulsory Acquisition Provisions	means provisions in the Constitution of an Issuer complying with Rule 4.8.1 to Rule 4.8.6 inclusive.
Default by a holder of Equity Securities of an Issuer	means non-compliance with Notice and Pause Provisions, or Minority Veto Provisions, in the Constitution of the Issuer.
Defaulter	means a person with a Relevant Interest in Quoted Equity Securities of an Issuer who has acquired that Relevant Interest in breach of Notice and Pause Provisions or Minority Veto Provisions (other than a breach committed by the Issuer itself or its Directors).
Director	includes in relation to an Issuer that is a Managed Investment Scheme a Director of the Manager.
Differential Offer	means an offer, or invitation to agree on Transfers, which: (a) is made to some but not all holders of a Class of Equity Securities; (b) or entitle any person other than to the benefit of NZX, or to exercise, the rights and powers provided in Rule 2.3; or (c) would result in different prices or other terms applying among holders of the same Class of Equity Securities; or (d) would result in the Transfer of different proportions of those portions of holdings of Equity Securities of the same Class which are offered for disposal.

Effective Date	means 1 July 2001 or any other date on which the Takeovers Code comes into force.
Enforcement Provisions	means provisions in the Constitution of an Issuer complying with Rule 4.7.1 to Rule 4.7.7 inclusive and Rule 4.9.
Insider	means in respect of an Issuer: (a) Directors or Associated Persons of Directors; (b) persons who hold Material Information of the Issuer which has not been disclosed to the market.
Majority Holder	has the meaning given in Rule 4.8.1.
Minority Veto Provisions	has the meaning given in Rule 4.6.1.
Notice and Pause Provisions	has the meaning given in Rule 4.5.1.
Relevant Group	in respect of an Issuer means each of the groups comprising; (a) holders of Securities who are Members of the Public; and (b) holders of Securities who are not Members of the Public; in each Class of Quoted Equity Securities of that Issuer the rights of which are governed by the Constitution of that Issuer.
Remaining Holders	has the meaning given in Rule 4.8.1.
Restricted Transfer	means: (a) the Transfer which would result in the Votes controlled by any person or group of persons who are Associated Persons of each other, of any Class of Quoted Equity Securities of an Issuer: (i) exceeding 20% of the Votes attached to that Class; or; (ii) if the person or group of persons controls 20% or more of the Votes attached to that

Class, increasing by more than 5% in any period of 12 months excluding increases as a result of Transfers pursuant to a Restricted Transfer notice previously given by the person or group of persons; together with

(b) any other Transfer which is likely to be contemporaneous with, or subsequent to, the Transfer in sub-paragraph (a) of this definition and comprises with that Transfer part of a scheme or linked series of transactions:

Provided that for the purposes of this definition acquisition of interests in Equity Securities of an Issuer may be disregarded:

(a) where it is determined by NZX that the acquisition was involuntary and occasioned by the action of another party over which the acquiring party had no effective control or influence in the matter; or

(b) where, and to the extent that, it is determined by NZX that the aggregation of holdings among Associated Persons would include holdings of persons who have no practical likelihood of acting in concert, or exercising Votes or otherwise acting in collusion, with each other or any common party:

Provided also that this definition shall not apply:

(a) where the Transfer is between two entities, one of which is directly or indirectly wholly owned beneficially by the other, or both of which are directly or indirectly wholly owned beneficially by the same entity; or

(b) where the Transfer is in performance of the obligations of an underwriter pursuant to an underwriting

agreement disclosed in an Offering Document, Prospectus or Register Entry for an offering of the relevant Class of Quoted Equity Securities.

Special Resolution means a resolution passed by a majority of 75% of Votes of holders of Equity Securities entitled to vote and voting

Transfer in relation to an Equity Security includes sale of that Security, and the grant of rights or interests, whether conditional or not, which are intended to create for the recipient benefits which are substantially equivalent to ownership of that Security (or of an interest in that Security). In particular it includes:

(a) a transaction whereby one party disposes of, alienates, or proposes to dispose of or alienate (temporarily or permanently), any interest or right of title to any Equity Security or in the Votes, dividends or income arising in respect of any Equity Security;

(b) any agreement arrangement or understanding in respect of Equity Securities under which the Votes attaching to them may be exercised by a person other than the registered holder, alone or jointly with the registered holder, or with other persons acting in concert, other than by reason of a bona fide appointment of a proxy or other representative for voting purposes under which the appointment may be terminated at will, and the appointor is entitled, if the appointor so wishes, to direct the proxy as to the manner in which Votes are to be cast;

(c) any transaction whereby the holder of the Equity Securities enters into a commitment (whether conditional or unconditional) to sell the Equity Securities, or to grant an option over them or any part thereof, or at any future time to grant any of the rights referred to above;

(d) the creation of a charge or other security interest enforceable by a right of possession or a power of sale or other disposition which would fall within other parts of this definition of "Transfer", other than the creation of such an interest for bona fide financing purposes; or

(e) any transaction, agreement or arrangement that has substantially the same effect as (a), (b), (c) or (d) above,

but excludes the issue, or acquisition, of Equity Securities by the Issuer in accordance with the Rules.

Transferor and Transferee have corresponding meanings

4.1.2 Subject to Rule 4.1.3 and Rule 4.1.4, as from the Effective Date nothing in this Section shall apply in respect of any Issuer which is a Code Company.

4.1.3 This Section 4 shall continue to apply in respect of any non-compliance with this Section 4 which occurred before the Effective Date.

4.1.4 Rule 4.8 shall continue to apply in respect of a Code Company if:

(a) Rule 4.8.1 applies in respect of that Code Company before the Effective Date; and

(b) Part 7 of the Code does not apply in respect of that Code Company.

If Rule 4.8 continues to apply in respect of a Code Company by virtue of this Rule 4.1.4, Rule 4.7.1 to Rule 4.7.5 shall also continue to apply in the circumstances recorded in Rule 4.8.5.

4.2 Restricted and Defensive Measures

4.2.1 Except as permitted or required by Rule 4.3 no Issuer may:

(a) include in its Constitution any provision; or

(b) do anything or omit to do anything;

which would have the effect of causing or permitting an outcome or condition described in Rule 4.2.2.

4.2.2 An outcome or condition is prohibited for the purposes of Rule 4.2.1 if:

(a) registration of any transfer of a Quoted Equity Security is prevented or restricted, or made subject to a precondition, other than as permitted by Section 11; or

(b) the enjoyment by a new holder of any benefit or right conferred by the Issuer on the holder of a Quoted Equity Security, is conditional on anything other than registration of the relevant transfer; or

(c) any benefit or right conferred by the Issuer on the holder of a Quoted Equity Security is cancelled or varied or made contingent by reason of a Transfer of that Quoted Equity Security; or

(d) any Quoted Equity Security may be redeemed, cancelled, made forfeit, disposed of or otherwise dealt with, by reason of a Transfer of that or any other Quoted Equity Security without the consent of the holder, other than as permitted by Rule 8.2 and Rule 8.5; or

(e) any benefit or right conferred by the Issuer on the holder of a Security is enhanced, extended, or crystallises or attaches by reason of a Transfer of a Quoted Equity Security; or

(f) any material benefit, right or asset of the Issuer terminates or is disposed of or is made contingent or the subject of a third party option by reason of a Transfer of a Quoted Equity Security of the Issuer; or

(g) any material liability or obligation of the Issuer crystallises or arises or can be made due and payable before its normal maturity by a third party by reason of a Transfer of a Quoted Equity Security of the Issuer.

Nothing in this Rule limits any rule of law, whether relating to the duties of Directors or otherwise.

4.2.3 Notwithstanding Rule 4.2.1 an Issuer may enter into an agreement which may have one or more of the effects specified in Rule 4.2.2(f) or Rule 4.2.2(g) if that agreement is entered into with a person who is not a Related Party (as defined in Rule 9.2.3) of the Issuer and if, in approving the entry into of that agreement, the Directors of the Issuer act in good faith in the best interests of the Issuer, and not with the intention of restricting or preventing Transfers of Securities of the Issuer.

4.3 Constitutional Provisions

4.3.1 The Constitution of each Issuer shall contain or incorporate by reference:

(a) Notice and Pause Provisions (which may be modified in accordance with Rule 4.4.2);

(b) Enforcement Provisions; and

(c) Compulsory Acquisition Provisions.

4.3.2 The Constitution of an Issuer may (subject to Rule 4.4.1) contain or incorporate by reference Minority Veto Provisions.

4.3.3 Each Issuer the Constitution of which:

(a) contains or incorporates by reference Minority Veto Provisions; or

(b) contains or incorporates by reference provisions modified in accordance with Rule 4.4.2,

shall, in any report to holders of its Quoted Equity Securities, in any Offering Document or Profile relating to its Quoted Equity Securities, and otherwise to any person who requests in writing, clearly disclose that fact.

4.3.4 An Issuer shall provide, to any person who requests in writing, a copy of the provisions of its Constitution which deal with the matters dealt with in this Section 4.

4.3.5 An Issuer the Constitution of which contains or incorporates by reference Minority Veto Provisions or the Constitution of which contains or incorporates by reference provisions modified in accordance with Rule 4.4.2 shall, with the copy of the relevant provisions of its Constitution to be provided on request under Rule 4.3.4, supply also a summary and explanation of those provisions in the form previously approved by NZX.

4.4 Adoption of Minority Veto Provisions

4.4.1 An Issuer shall not include Minority Veto Provisions in its Constitution unless:

(a) those provisions are approved by a Special Resolution of each Relevant Group; or

(b) those provisions are included in the Constitution of the Issuer at the time at which Equity Securities of the Issuer

are first Quoted.

4.4.2 An Issuer may modify Notice and Pause Provisions in its Constitution so that those provisions apply only to Restricted Transfers in which the Transferees are Insiders. An Issuer shall not do so unless:

(a) that modification is approved by a Special Resolution of each Relevant Group; or

(b) that modification is included in the Constitution of the Issuer at the time at which Equity Securities of the Issuer are first Quoted.

4.4.3 An Issuer may delete Minority Veto Provisions from its Constitution, or cancel any modification to Notice and Pause Provisions in terms of Rule 4.4.2 (so that the Notice and Pause Provisions apply to all Restricted Transfers) only with the approval of a Special Resolution of each Relevant Group.

4.4.4 The Constitution of each Issuer shall contain or incorporate by reference provisions governing the calling of meetings for the purposes of Rule 4.4.1, Rule 4.4.2, and Rule 4.4.3. The Constitution may provide that, for the purposes of voting by Relevant Groups for the purposes of those Rules, one meeting may be held of holders constituting both Relevant Groups, so long as voting is by way of poll, and proper arrangements are made to distinguish between the Votes of members of the different Relevant Groups.

In respect of the contents of a notice of meeting for the purposes of Rule 4.4.1 to Rule 4.4.3, see Rule 6.2.3 and Rule 6.2.4.

4.4.5 The Directors of an Issuer may at any time, and shall upon receipt of a request of the nature referred to in the next sentence, submit for the consideration of the holders of Securities of the Issuer a change to the Constitution to include or exclude Minority Veto Provisions, to modify the Constitution in accordance with Rule 4.4.2, or to cancel any such modification. A request to the Directors shall:

(a) be in writing, and be signed by or on behalf of the holders of Quoted Equity Securities of the Issuer carrying 5% or more of the Votes attaching to all Quoted Equity Securities of the Issuer; and

(b) specify in general terms the change to the Constitution which is proposed.

4.4.6 If the Directors wish, or are required in accordance with Rule 4.4.5,

to submit for consideration a change to the Constitution of the Issuer, the Directors shall without delay:

(a) cause draft amendments to the Constitution to be prepared, and approved by NZX in accordance with Rule 6.1; and

(b) cause those amendments to be submitted for the approval by Special Resolutions of the Relevant Groups, and by such other resolutions as may be necessary to effect an amendment to the Constitution of the Issuer.

4.5 Notice and Pause Provisions

4.5.1 Notice and Pause Provisions are the provisions set out in Rule 4.5.2 to Rule 4.5.9 inclusive

4.5.2 No Restricted Transfer of Quoted Equity Securities shall take place unless notice is given to the Issuer, and to NZX in a manner complying with Rule 10.2.3 for release to the market, not later than the time specified in Rule 4.5.3, containing the following particulars:

(a) the price or consideration, either specified as a fixed amount or expressed as a range with the higher price or consideration being not greater than 20% more than the lower price or consideration of that range;

(b) any conditions or arrangements directly or indirectly associated with the Transfer which could be material to the assessment of the price or price range by prospective Transferors of the Equity Securities;

(c) identification of the Class, and the maximum number of Securities and percentage of the relevant Class, to which the Transfer proposal relates;

(d) the identity of all persons reasonably expected to acquire Relevant Interests in the Equity Securities as a result of the Transfer proposal;

(e) the number of Equity Securities (expressed in each case as a percentage of the total number in each relevant Class of Securities) which will be held, or in which Relevant Interests will be held, upon completion of the proposed transactions, by each Transferee and Associated Persons of each Transferee;

(f) the times within which the Transfers are intended to occur;

(g) how the Transfers are to be effected (for example, through NZX's order matching market, by widespread direct offer,

private treaty, etc);

(h) the date the notice is given.

4.5.3 Each notice referred to in 4.5.2 shall be given:

(a) if any Transferee under the Transfer in question is an Insider, at least 15 Business Days before the Transfer; or

(b) if no Transferee is an Insider, and subject to Rule 4.5.5, at least three Business Days before the Transfer.

"Transfer" includes entering into any agreement or commitment concerning the sale of Equity Securities. Refer to the full definition in Rule 4.1.1.

4.5.4 Any change in, or addition to, particulars notified under Rule 4.5.2 shall be made by giving a notice of change. Each such notice shall be given:

(a) if any Transferee under the Transfer in question is an Insider, at least two Business Days before the change takes effect in the case of a change to price or amount of consideration, and at least 15 Business Days before the change takes effect in the case of a change to any other particulars listed in Rule 4.5.2, including without limitation the nature of the consideration; or

(b) if no Transferee is an Insider, and subject to Rule 4.5.5, at least one Business Day before the change takes effect in the case of a change to price or amount of consideration, and at least three Business Days before the change takes effect in the case of a change to any other particulars listed in Rule 4.5.2, including without limitation the nature of the consideration.

4.5.5 If:

(a) a Restricted Transfer is effected solely by trades matched through NZX's order matching market;

(b) no Transferee is an Insider; and

(c) the conditions specified in the next sentence are satisfied,

then the period of notice referred to in Rule 4.5.3(b) shall be one Business Day, and the periods of notice referred to in Rule 4.5.4(b) shall be two hours during which NZX is open for business, and one Business Day, respectively. The conditions referred to above are:

(d) before notice is given, the Trading Participant instructed to make the offers must be satisfied that the entire offer in the

notice has been the subject of instructions accepted by Trading Participants;

(e) the consideration must be readily capable of settlement through the Settlement System;

(f) the Transferee must have previously undertaken to the Trading Participant through whom its orders are placed, for the benefit of holders of the relevant Securities, to complete the transaction in accordance with the notice given, if offers or acceptances are sufficient to enable it to do so;

(g) the instructions must be in terms that orders will be matched and completed by NZX's order matching system even if the entire offer is not accepted completely; and

(h) the period during which transactions will be effected does not end before one Business Day after it begins or until Transfers have been agreed to complete the maximum number of Securities to which the Transfer proposal relates, whichever is the earlier.

4.5.6 Directors of an Issuer whose Quoted Equity Securities are the subject of a notice under Rule 4.5.2 shall give notice as soon as can be achieved, and before the expiry of the notice periods referred to in Rule 4.5.3 or Rule 4.5.5:

(a) whether any Director or Associated Person of a Director is expected by any Director to be a Transferee in the notified transaction;

(b) whether there is any Material Information pertaining to the Issuer which any Director believes is likely to be available to any Transferee in the proposed transaction, which has not been made generally available to the market;

(c) whether any Director considers there is any undisclosed Material Information which should materially affect the decision of a reasonably informed prospective Transferor in the proposed Transfer and, if so, an indication whether the Director would consider the Transfer to be made more or less desirable to the prospective Transferor by the Material Information; and

(d) a statement as to the timing, and expected significance of any further action, investigation, report, or disclosure which the Directors or any of them, intend to make in response to the relevant proposals for Transfers.

These obligations (and others on directors in this Section) recognise that boards commonly divide these matters into:

(a) the Directors perceived to have a conflict of interest in relation to an offer; and

(b) those who can be seen to be affected only by concern for the best interests of the Issuer and shareholders not connected with the offeror.

4.5.7 The Directors of an Issuer whose Quoted Equity Securities are the subject of a notice under Rule 4.5.2, or who become aware that a Restricted Transfer proposal is more likely than not in the immediate future, shall:

(a) take all steps necessary to ensure that they and the Issuer are in a position to respond to the offer as required by these Rules, including under Rule 10.1;

(b) not be relieved of their disclosure obligations under these Rules by reason of a conflict of interest arising from involvement as or with a prospective Transferee or Transferor, but such Directors shall disclose in any notice or statement the nature of their possible conflict;

(c) in the case of a conflict of interest or of views as to how to proceed, if necessary release separate statements or notices to inform NZX promptly, with appropriate explanation; and

(d) ensure that holders of the relevant Equity Securities are well informed to consider competitive offers for the control of Votes attached to the Equity Securities where there is any reasonable prospect of competition emerging to the completion of a Restricted Transfer proposal.

4.5.8 If any Transferee under a Restricted Transfer is an Insider, then (subject to Rule 4.5.9) the Directors shall, forthwith upon a notice being given under Rule 4.5.2 in respect of that Restricted Transfer or notice being given under Rule 4.5.4 in respect of that Restricted Transfer where the change relates to a change in the nature of the consideration offered, commission an Appraisal Report in respect of that Restricted Transfer. That report may contain such reasonable qualifications and limitations as are needed to recognise the deadlines within which it is required to be produced. That report shall:

(a) be delivered to NZX for release to the market at least two Business Days before expiration of the relevant notice, accompanied by a summary (approved by the appraiser) suitable for release to the market; and

(b) be copied to the Issuer and to any holder of Quoted Equity Securities of the Issuer upon request; and

(c) be dispatched to all holders of Securities to whom the offer may be made at least three Business Days before the expiration of the relevant notice.

4.5.9 The requirement for an Appraisal Report in Rule 4.5.8 shall not apply if:

(a) all Transferors consent to waive the requirement; or

(b) a majority of the Disinterested Directors certify that in their opinion the cost and difficulty of providing the Appraisal Report will outweigh the benefit, because prospective Transferors are not at an information disadvantage in relation to prospective Transferees and their Associated Persons or because the Appraisal Report would not materially remedy any such information prejudice.

For the purposes of this Rule, "Disinterested Directors" means Directors who are not involved as prospective Transferors (in relation to a proposal for a Differential Offer) or as Transferees, and who are not Associated Persons of any such Transferors or Transferees.

4.5.10 If a Restricted Transfer is not completed within three months of the notice required to be given under Rule 4.5.2, or any status report given under this Rule 4.5.10 then, before continuing with the Restricted Transfer, additional market information on the status of the Restricted Transfer must be provided to the Issuer and NZX in a manner complying with Rule 10.2.3 for release to the market. The additional market information shall include:

(a) when the Restricted Transfer is intended to be completed; and

(b) details of the Transfer(s) that comprise the Restricted Transfer which have not been completed.

4.5.11 On receipt of the information provided under Rule 4.5.10, the Directors of the Issuer shall promptly advise NZX:

(a) of any change in circumstances (and the implications of the change) which would affect the continuing relevance and currency of any Appraisal Report or the response initially provided under Rule 4.5.6; and

(b) that the Issuer is complying with Rule 10.1.

4.6 Minority Veto Provisions

4.6.1 Minority Veto Provisions are:

(a) Notice and Pause Provisions not modified as permitted by Rule 4.4.2, but modified so that:

(i) the notice period referred to in Rule 4.5.3(b) is 15 Business Days;

(ii) the notice periods referred to in Rule 4.5.4(b) are two Business Days and 15 Business Days respectively; and

(iii) the notice periods referred to in Rule 4.5.5 are five Business Days, two Business Days, and five Business Days respectively; and

(b) the further provisions set out in Rule 4.6.2 and Rule 4.6.3.

4.6.2 Except with the sanction of resolutions passed by a simple majority of Votes of each Affected Group:

(a) all Transfers involved in a Restricted Transfer shall be pursuant to:

(i) an offer in writing to all holders of Equity Securities of any Class which is the subject of the proposed Restricted Transfer, on the same terms; or

(ii) orders placed through a Trading Participant for execution in and through NZX's order matching market and in accordance with the requirements of Rule 4.5.5; and

(b) the Transfers must not result from Differential Offers, other than differences which arise from a change in the price of an on-market offer authorised under Rule 4.6.2(a)(ii).

4.6.3 Upon the giving of a notice under Rule 4.5.2, (but not if that notice is given in respect of a Transfer complying with Rule 4.5.5) or a notice under Rule 4.5.4 where the change relates to a change in the nature of the consideration offered the Directors shall commission a report from an independent appropriately qualified person previously approved by NZX. That report shall:

(a) be addressed to the holders of Securities of the Class or Classes the subject of the Restricted Transfer referred to in the notice;

(b) express the opinion of the appraiser as to the consideration

and other terms of the proposed transaction; and

(c) comply with the provisions of Rule 1.7.2(e), Rule 1.7.2(f), Rule 1.7.2(g), and Rule 1.7.2(h) as if that report were an Appraisal Report.

The provisions of Rule 4.5.8(a), Rule 4.5.8(b) and Rule 4.5.8(c) shall apply to the report as if it were an Appraisal Report required by that Rule.

4.7 Enforcement Provisions

4.7.1 An Issuer may, following a Default, exercise a power described in Rule 4.7.2(a) or Rule 4.7.2(b) in respect of all or any Quoted Equity Securities in which the Defaulter has a Relevant Interest ("Defaulter's Securities").

4.7.2 In the event of a Default:

(a) no Vote may be cast on a poll, and if it is cast shall be disregarded, on Defaulter's Securities while the Default is unremedied;

(b) a Defaulter's Securities may be sold by the Issuer. This power may not be exercised until one month after the Issuer has given notice to the Defaulter of its intention to exercise this power. It shall not be exercised if, during that month:

(i) the Defaulter has remedied the Default (where it can be remedied); or

(ii) the Defaulter has transferred its Relevant Interest in the Securities to a person who is not a Defaulter.

If the power to sell is exercised, the Issuer shall sell the Defaulter's Securities through NZX, or in some other manner approved by NZX, and shall account to the holder of those Securities for the proceeds of sale after deduction of all sale expenses. The Issuer shall be deemed to be authorised to take all steps, and sign all documents, necessary to effect the sale of the Defaulter's Securities.

(c) neither the Issuer nor its Directors shall be liable to a Defaulter or apparent Defaulter for or in connection with the exercise or purported exercise of the powers permitted by this Rule 4.7;

(d) the Issuer shall have a lien on the Defaulter's Securities for, and deduct from the proceeds of sale pursuant to Rule 4.7.2(b), any costs to the Issuer of determining whether a person is a Defaulter and exercising powers permitted by this Rule 4.7;

(e) the Issuer may treat as its costs for the purposes of paragraph 4.7.2(d) preceding, reimbursement by it of expenses of members of any Affected Group acting pursuant to Rule 4.7.3; and

(f) if NZX makes a Ruling dealing with the matters dealt with by this Section 4, or with provisions of the Constitution of the Issuer required or permitted by this Section 4, that Ruling shall be binding upon the Issuer and all holders of Securities of the Issuer, and shall take effect as if that Ruling were itself incorporated in the Constitution.

4.7.3 The Issuer shall, if so directed by a resolution of an Affected Group (passed by a simple majority of Votes), exercise the power referred to in Rule 4.7.2(b), if that power has become exercisable. The holders of 5% or more of the Securities of an Affected Group may by notice to the Issuer require the Directors of the Issuer to convene a meeting of the Affected Group for the purpose of considering such a resolution.

4.7.4 An Issuer shall use reasonable endeavours to ascertain for the purposes of Rule 4.7.2(a) whether any Securities are Defaulter's Securities, and accordingly whether a holder of those Securities is entitled to vote. If any holder of Securities of the Issuer, or NZX, alleges that any Securities are Defaulter's Securities, the Issuer shall properly consider and investigate that allegation.

4.7.5 The ruling of the chairperson of any meeting as to whether any holder of Securities is or is not entitled to vote at that meeting pursuant to Rule 4.7.2(a) shall, for the purposes of proceedings at that meeting, be conclusive, and the proceedings of, or any resolution passed at, any meeting shall not be impugned by reason of a breach of Rule 4.7.2(a). This Rule shall not prejudice any action which any person may have against the holder of any Securities by reason of that holder having cast a Vote at any meeting in breach of Rule 4.7.2(a).

4.7.6 Subject to Rule 4.7.7, the sole remedy of an Issuer, a holder of Securities of an Issuer, a Director of an Issuer, or any other person, in respect of a breach or alleged breach of this Section 4, or of provisions in the Constitution of an Issuer required or permitted by this Section 4, shall be to exercise, or require the Directors of the Issuer to exercise, the powers referred to in Rule 4.7.2(a) and Rule

4.7.2(b). Without limiting the preceding sentence, no person shall be entitled to seek any injunction or other remedy to prevent a transaction alleged to be in breach of the provisions referred to in that sentence.

4.7.7 Nothing in Rule 4.7.6 shall affect the remedies of a holder of Securities of an Issuer against the Directors of that Issuer in respect of a breach of this Section 4, or the provisions of the Constitution referred to in Rule 4.7.6, by that Director.

4.7.8 NZX (in this Rule 4.7.8 an "Arbiter") may, for the purposes of making a Ruling as to whether any person is a Defaulter, give notice to any person who the Arbiter believes may be a Defaulter. That notice shall:

(a) set out in general terms the grounds on which the Arbiter believes that person to be a Defaulter; and

(b) require that person, within a reasonable time specified in the notice, to produce evidence to rebut the Arbiter's belief that that person is a Defaulter.

If the person to whom the notice is given fails within the time specified in the notice to produce to the Arbiter evidence satisfactory to the Arbiter that that person is not a Defaulter, then the Arbiter shall be entitled to assume without further evidence that that person is a Defaulter, and to make a Ruling to that effect.

Rulings will take effect as if part of the Constitution. See Rule 4.7.2(f).

4.8 Compulsory Acquisition Provisions

4.8.1 If a person, or a group of Associated Persons, acquires beneficial ownership of 90% or more of a Class of Quoted Equity Securities of an Issuer, that person or group of persons (the "Majority Holder") shall, within 20 Business Days after that circumstance arises, give notice (the "Acquisition Notice") to all other holders (the "Remaining Holders") of Securities of that Class ("Affected Securities") and at the same time to the Issuer and NZX, provided that when calculating the total number of Quoted Equity Securities in that Class, Treasury Stock shall not be regarded as part of that Class.

Provided that when calculating the total number of Quoted Equity Securities in that Class, Treasury Stock shall not be regarded as part of that Class.

4.8.2 The Acquisition Notice shall specify:

(a) that the Majority Holder has beneficial ownership of 90% or more of the Affected Securities;

(b) either:

(i) that the Majority Holder intends to acquire all Affected Securities held by the Remaining Holders; or

(ii) that any Remaining Holder may require the Majority Holder to acquire the Affected Securities held by that Remaining Holder by giving notice to that effect to the Majority Holder within one month after the date of the Acquisition Notice; and

(c) the consideration to be provided by the Majority Holder for Affected Securities.

4.8.3 Upon giving an Acquisition Notice, the Majority Holder shall be entitled and bound:

(a) if the Acquisition Notice contains the statement in Rule 4.8.2(b)(i), to acquire all Affected Securities held by the Remaining Holders; or

(b) if the Acquisition Notice contains the statement in Rule 4.8.2(b)(ii), to acquire all Affected Securities held by Remaining Holders in respect of which the holder, within one month after the date of the Acquisition Notice, gives notice requiring the Majority Holder to acquire.

4.8.4 The consideration to be provided for Affected Securities which the Majority Holder is entitled and bound to acquire shall be determined as follows:

(a) the Acquisition Notice shall specify the consideration which the Majority Holder is prepared to provide. The Majority Holder shall, before giving the Acquisition Notice, provide to NZX a report from an independent appropriately qualified person, previously approved by NZX, confirming that that consideration is fair to the Remaining Holders, using the same criteria set out in paragraph (c)(iv) of this Rule;

(b) if, within 10 Business Days after the date of the Acquisition Notice, the Issuer receives written objections to the consideration specified in the Acquisition Notice from the holders of 10% or more of the Affected Securities held by the Remaining Holders, then the consideration shall be determined in accordance with (c) and (d). If objections

are received, the Issuer shall forthwith notify the Majority Holder and NZX of that fact. If such objections are not received, the consideration shall be as specified in the Acquisition Notice;

(c) if objections of the nature referred to in (b) are received by the Issuer the consideration shall be determined by an independent appropriately qualified person. That person shall:

(i) be a different person from the person referred to in (a); and

(ii) act as an expert and not as an arbitrator; and

(iii) be directed to provide a decision within 20 Business Days after his or her appointment; and

(iv) be directed to determine the consideration on the basis that it is fair to the Remaining Holders and is the pro-rated value of the Affected Securities based on the value of the Issuer as a whole and the rights and obligations attached to those Securities without taking into account any strategic or hold out value of the Affected Securities or any other factors relating to the Remaining Holders, the Majority Holder, their respective holdings in the Issuer or the relative extent of those holdings; and

(v) be appointed by the disinterested Directors (as defined in Rule 4.5.9) of the Issuer (if any, and otherwise by the Directors of the Issuer) after approval by NZX;

(d) if the consideration determined by the person appointed in accordance with (c):

(i) is less than, or the same as, the consideration specified in the Acquisition Notice, the fee and expenses of that person shall be borne by the Remaining Holders who made the objections referred to in (b);

(ii) is more than the consideration specified in the Acquisition Notice, the fee and expenses of that person shall be borne by the Majority Holder.

If the fee and expenses of that person is to be borne by the objectors in terms of (i), the Majority Holder shall deduct that amount from the consideration payable by the Majority Holder to

the objectors, in proportion to their holdings (and may, if the consideration is not cash, deduct and sell sufficient of that consideration to produce sufficient cash).

As to the approval of a person for the purposes of Rule 4.8.4(a) or Rule 4.8.4(c), see the footnote to Rule 1.7.1.

4.8.5 If a Majority Holder fails to give an Acquisition Notice, or, after having become bound to acquire the Affected Securities of Remaining Holders in accordance with the provisions of this Rule 4.8, fails to do so, then the provisions of Rule 4.7.1 to Rule 4.7.5 shall apply with the following modifications:

(a) the Affected Securities held by the Majority Holder shall be deemed to be Defaulter's Securities;

(b) the failure to comply with this Rule 4.8 shall be deemed to be a Default; and

(c) the Remaining Holders shall be deemed to be an Affected Group.

4.8.6 The Constitution shall also contain provisions:

(a) providing for the payment or provision of consideration to each Remaining Holder within 12 Business Days after the Majority Holder becomes bound to acquire the Affected Securities of that Remaining Holder, or if consideration requires to be determined pursuant to Rule 4.8.4, within 2 Business Days after the consideration is determined;

(b) providing for the consideration payable to Remaining Holders who cannot be found to be held in trust for those holders for at least five years; and

(c) providing for the Issuer, upon payment or provision of the consideration, to execute transfers on behalf of the Remaining Holders, and to take all other steps necessary to transfer to the Majority Holder the Affected Securities of the Remaining Holders.

4.9 Holding By Bare Trustee

4.9.1 For all purposes of this Section 4, and notwithstanding anything in this Section 4:

(a) the Transfer of Quoted Equity Securities, or of any interest in Quoted Equity Securities, to a bare trustee shall be deemed to be a Transfer to the person or persons for whom that bare trustee holds those Securities or that

interest as trustee (the “Beneficial Owners”);

(b) Quoted Equity Securities, or any interest in Quoted Equity Securities, held by a bare trustee shall be deemed to be held by the Beneficial Owners; and

(c) a trustee may be a bare trustee notwithstanding that that trustee is entitled as a trustee to be remunerated out of the income or property of the relevant trust.

4.9.2 Without limiting Rule 4.9.1:

(a) a bare trustee and a Beneficial Owner shall not, by reason solely of their relationship as bare trustee and Beneficial Owner, be Associated Persons;

(b) a bare trustee of Quoted Equity Securities shall not, solely by reason of its position as bare trustee for the Beneficial Owner, have a Relevant Interest in those Quoted Equity Securities; and

(c) a Beneficial Owner of Quoted Equity Securities shall not have a Relevant Interest in the Quoted Equity Securities of another Beneficial Owner solely because the same bare trustee acts as trustee for both of those Beneficial Owners.

4.9.3 In the event of a Default, if any Quoted Equity Securities held by a person as bare trustee on behalf of different Beneficial Owners include any Defaulter’s Securities:

(a) the bare trustee shall, on request by the Issuer or NZX, provide to the Issuer and NZX details of the Beneficial Owners of those Defaulter’s Securities; and

(b) the Issuer may at any time, and shall upon request by the bare trustee or any Beneficial Owner, take appropriate steps to ensure that those Defaulter’s Securities are separately designated in the register recording those Quoted Equity Securities.

Main Board/Debt Market Listing Rules

Section 5: Listing and Quotation

5.1 Listing

5.1.1 Any person may apply to NZX for Listing either:

(a) with NZX as the Home Exchange; or

(b) with a Recognised Stock Exchange as the Home Exchange, if that person is domiciled or incorporated outside New Zealand and listed on a Recognised Stock Exchange (an "Overseas Listed Issuer"); or

(c) as a Dual Listed Issuer.

Application shall be made through a Primary Market Participant acting as Organising Participant.

5.1.2 The following information and material shall be submitted with an application under Rule 5.1.1:

(a) an agreement, in a form specified by NZX, to the effect that the applicant will at all times comply with the Rules, executed by the applicant;

(b) a copy of the Constitution which the applicant will have at the intended time of Listing; and

(c) confirmation that the fees prescribed by NZX from time to time have been, or will at the time of Listing be, paid to NZX; and

(d) if Quotation of a Class of Securities is sought at the time of Listing, the further information specified in Rule 5.2.2; and

(e) a copy of the applicant's certificate of incorporation or commensurate document for the Issuer's entity (if applicable); and

(f) confirmation that the bond or deposit required by Rule 2.6 has been provided; and

(g) the number and details of each Class of Security the Issuer has on issue as at the time of the application, and details of any issue or allotment intended prior to Listing (other than Debt Securities which are not Quoted or intended to be Quoted and any Class of Security for

which application for Quotation is sought); and

(h) contact addresses (phone, postal and fax) of the applicant; and

(i) copies of annual reports for the last five years, if available; and

(j) acknowledgements by Directors as required by Rule 2.2.2; and

(k) any other information or documents that NZX may, at the time of submission or subsequently, request.

5.1.3 An applicant generally will not be considered for new Listing on either the NZSX or NZDX markets unless the anticipated market value (as estimated by NZX) of Securities of that Issuer to be Quoted is at least $5 million. An applicant for Listing on the NZSX with an anticipated market capitalisation on Listing or $50 million or less who is either eligible for listing on NXT Market, or who is listed in NXT Market at the time the application is made, will generally not be considered for Listing on the NZSX.

5.1.4 An Issuer which does not comply with all of the requirements of the Rules may be granted Listing with the designation “Non Standard” or “NS”, on such terms and conditions as NZX thinks fit from time to time and may require an Issuer with a Non Standard or NS designation to take all steps necessary to procure that:

(a) any Advertisement, Offering Document, Profile, or statement issued or distributed by the Issuer which refers in any way to the Listing of the Issuer or Quotation of its Securities, and each annual or interim report of the Issuer, contains a qualification or note of a nature, location and prominence which is reasonably likely to ensure that persons receiving the information are informed or reminded that the Issuer has a Non Standard or NS designation; and

(b) if it is desirable in order properly to inform the intended recipients of any such information, taking account of the context, their general level of knowledge and the relevance to them of any such information, the qualification or note contain references or details reasonably likely to inform such recipients of the reasons for the Non Standard designation.

The designation or notation “NS” will ordinarily appear after all NZX references to an Issuer so Listed, and to its Quoted Securities.

5.1.5 The Rules set out in Appendix 17 do not apply to a Dual Listed Issuer, provided always that:

(a) that Dual Listed issuer satisfies and complies at all times with any conditions set out in Appendix 17 regarding the non-application of those Rules; and

(b) that Dual Listed issuer complies at all times with the ASX Listing Rules (subject to any applicable waiver or ruling obtained by that Dual Listed Issuer from the ASX) and the Australian Corporations Act 2001 (Cth).

Notwithstanding the foregoing, NZX may at any time or times, by notice to a Dual Listed Issuer, declare that any Rule set out in Appendix 17 shall thereafter apply to that Dual Listed issuer, whether or not the ASX Listing Rules or Corporations Act 2001 (Cth) contain a similar or analogous provision and whether or not that Dual Listed Issuer is then complying with any such provision.

5.1.6 A Dual Listed Issuer must provide NZX with notice of:

(a) all waivers and/or rulings granted or revoked by the ASX in respect of that Dual Listed Issuer from the ASX Listing Rules and the terms of such waivers and/or rulings or revocation of such waivers and/or rulings; and

(b) any variation to the ASX Listing Rules or Corporations Act 2001 (Cth) made after the date on which that Dual Listed Issuer lists on an NZX market other than those which could not, in any circumstances, be relevant to that Dual Listed Issuer. For avoidance of doubt, if a Dual Listed Issuer is unsure whether such change could or may affect that Dual Listed Issuer, notice of such change should be given to NZX.

5.1.7 An Overseas Listed Issuer shall:

(a) be deemed (subject to Rule 5.1.8) to satisfy and comply with all the Rules so long as it remains listed on its Home Exchange, provided that NZX may, at any time, by notice to any Overseas Listed Issuer, declare that any of the Rules shall thereafter apply to that Issuer, whether or not the rules of its Home Exchange contain a similar or analogous provision, and whether or not that Issuer is then complying with any such provision; and

(b) if application has been made to NZX for a Class or Classes of its Securities quoted on its Home Exchange to be Quoted on NZX, be deemed to satisfy and comply with all of the Rules for so long as those Securities remain Quoted on its Home Exchange; and

(c) give to NZX the same information and notices it is required to give to its Home Exchange, at the same time as it is required to give such information and notices to its Home Exchange; and

(d) include in its annual report:

(i) a statement to the effect that the Home Exchange corporate governance rules and principles may materially differ from NZX's corporate governance rules and the principles of the Corporate Governance Best Practice Code; and

(ii) a reference to where investors may find more information about the corporate governance and principles of the Issuer's Home Exchange.

5.1.8 Notwithstanding Rule 5.1.7, all of Section 1, Rule 5.1.7, Rule 5.3, Rule 5.4 and Rule 5.5.2, and this Rule 5.1.8, shall apply, with the necessary modifications, to each Overseas Listed Issuer.

1. The intention of Rule 5.1.7 and Rule 5.1.8 is that a company or other entity which is listed on a Recognised Stock Exchange, and is accepted by NZX for Listing on NZX as well, is not required to comply with the Rules, so long as that company or other entity complies with the rules of that Recognised Stock Exchange. NZX may however in its discretion at any time require that company or other entity to comply with any provisions of the Rules.

2. As a general rule, NZX will cancel the Listing of an Overseas Listed Issuer if the Listing of that Issuer is cancelled on its Home Exchange, and will suspend Quotation of, or halt trading of all or a Class of Securities if Quotation of all or that Class of Securities is suspended on the Home Exchange of that Overseas Listed Issuer.

5.1.9 Without limiting any other provision of these Rules, the Trust Deed governing a unit trust for which Listing is sought shall contain the provisions specified in Appendix 10.

5.1.10 Without limiting any other provision of these Rules, the Listing and Quotation of equity warrants shall comply with the provisions

contained in Rule 1.14.3 and Appendix 13.

5.1.11 Notwithstanding anything to the contrary in these Rules, an approved warrant issuer on the ASX (or the equivalent on another Recognised Stock Exchange) will be accepted as an Overseas Listed Issuer able to Quote equity warrants on NZX.

5.2 Quotation of Securities

5.2.1 An Issuer, or applicant for Listing, may apply to NZX for a Class or Classes of its Securities to be Quoted on the NZSX or NZDX. Separate application must be made for each Class of Securities, through a Primary Market Participant acting as Organising Participant, except that the application need not be made through an Organising Participant in the case of an application to Quote a Class of Securities where the Securities to be Quoted are rights to Securities that are already Quoted.

If a Class of Quoted Securities, by reason of a change to the rights or privileges attaching to some but not all of those Securities, divides into more than one Class, the Issuer must apply for Quotation of each of the resulting Classes.

5.2.2 The following information and material shall be submitted with an application under Rule 5.2.1:

(a) details of the Security for which application for Quotation is sought (including number, Security Class, ISIN, and face value (if any)); and

(b) evidence that the Primary Market Participant has sought assurance from NZX that Authority to Act has not been withdrawn in respect of Securities for which Quotation is sought or a certificate is provided under Rule 7.4 of the NZX Participant Rules (whichever is applicable); and

(c) a draft Offering Document, Prospectus, or Profile in respect of the Securities (which shall include, without limiting any other provision of the Rules, the timetable required by Rule 7.1.5(b)); and

(d) any Advertisement that is proposed to be issued before the date of Quotation in respect of the Securities; and

(e) any other information or documents that NZX may, at the time of submission or subsequently, request; and

(f) details of proposed arrangements to ensure that persons subscribing for the Securities in the offer have an opportunity to trade on Quotation of the Securities.

5.2.3 A Class of Securities will generally not be considered for Quotation on the NZSX or NZDX unless those Securities are held by at least 500 Members of the Public holding at least 25% of the number of Securities of that Class issued, with each Member of the Public holding at least a Minimum Holding, and those requirements are maintained, or NZX is otherwise satisfied that the Issuer will maintain a spread of Security holders which is sufficient to ensure that there is a sufficiently liquid market in the Class of Securities.

NZX will readily consider a waiver from the requirements of Rule 5.2.3:

(a) in the case of Debt Securities or Securities that may convert to Equity Securities if NZX is satisfied that the lack of initial liquidity would not be of disadvantage to holders; or

(b) in a case where there is a commitment on the part of one or more major holders of the Securities to sell their holdings into the market within a reasonable period after the initial Quotation of those Securities.

See also Rule 5.4.3 and the associated footnote 1.

5.2.4 Quotation of a Class of Securities will be effective from the date specified in a notice published by NZX.

As a matter of general policy, NZX will not grant Quotation of those Securities until NZX has received from the Issuer notice that those Securities have been allotted. However, NZX will generally agree to the Quotation of Securities arising from rights issues, options and conversion of Convertible Securities on a date not earlier than two Business Days prior to the closing of applications.

5.2.5 Where Securities are issued which are not, at the time of issue, of the same Class as Securities which are Quoted, but which may become of that Class, whether by passage of time, elapse of an escrow period, payment of calls or otherwise, notification under this Rule must be given forthwith after issue of those Securities, but Quotation will not be granted for those Securities (unless application is made for their Quotation as a separate Class) until they have qualified for inclusion in the Class already Quoted.

5.3 Discretion as to Listing and Quotation and Commencement of Listing

5.3.1 NZX is not obliged to grant Listing on either the NZSX or the NZDX of any person or Quotation of any Securities, whether or not the Issuer or person concerned complies with all applicable provisions of the Rules. NZX may refuse Listing or Quotation in its absolute discretion and without giving any reasons for such refusal.

NZX regards Listing as a privilege, not a right. It is not willing to fetter its discretion in respect of the initial grant of Listing, for fear of becoming involved in challenges from parties whose reputations or associates are suspect but against whom the available evidence is not readily verifiable. For example, the Rules do not stipulate character standards for directors or promoters. Nevertheless NZX will not facilitate the Listing of companies whose directors have a history of unsavoury practices. NZX will not, however, act capriciously when exercising its discretion.

5.3.2 NZX may at any time or times impose conditions (whether or not additional to the Rules) that must be fulfilled by any Issuer in order to obtain or maintain Listing, or Quotation of all or any of its Securities, if NZX in its absolute discretion considers such conditions are necessary or desirable to maintain a properly informed market, or to ensure compliance with, or achieve the intent of, any of the Rules.

NZX may also, as a condition of Listing, impose restrictions for a specific period on the sale or other disposal of Vendor Securities.

5.3.3 Without limiting Rule 5.3.1 or Rule 5.3.2, NZX may:

(a) refuse Quotation of any Securities if it is not satisfied that any applicable legislation has been complied with; and

(b) impose such requirements in addition to or substitution for any of the Rules, as NZX thinks fit, if any entity seeking Listing is not a company as defined in the Companies Act 1993.

Paragraph (a) should not be read as placing any obligation whatsoever upon NZX to enforce or interpret any legislation. It is for the courts to decide upon the meaning and enforcement of legislation.

5.3.4 NZX may before granting Listing, or Quotation of any Securities, require an applicant for Listing or Issuer to submit any technical, financial or other information in any Offering Document,

Prospectus, Profile, Register Entry, Constitution, or Trust Deed, to the scrutiny of an independent expert (who shall report to NZX) such work to be carried out at the expense of the applicant for Listing or Issuer.

5.3.5 The Rules shall take effect in respect of an Issuer on and from the date for commencement of trading in Quoted Securities of that Issuer and specified in a notice published by NZX.

5.4 Trading Halts, Suspension, Cancellation and other Powers

5.4.1 An Issuer may request:

(a) by notice in writing to NZX, that trading in its Securities be halted by NZX for a period not to exceed two Business Days; or

(b) by not less than one month's prior written notice to NZX, that it cease to be Listed or that some or all of its Securities cease to be Quoted.

After receipt of a request from an Issuer in accordance with:

(c) Rule 5.4.1(a), NZX may halt trading; or

(d) Rule 5.4.1(b), NZX may cancel the Listing or Quotation of some or all of its Securities (or both), as the case may be,

on or subject to compliance with such conditions as NZX thinks fit.

1. Where an Issuer is requesting a trading halt, pursuant to Rule 5.4.1(a), it must provide information to NZX on each of the following:

   (a) its reasons for the trading halt; and

   (b) how long it wants the trading halt to last; and

   (c) the event it expects to happen that will end the trading halt; and

   (d) that it is not aware of any reason why the trading halt should not be granted; and

   (e) any other information necessary to inform the market about the trading halt, or that NZX asks for.

2. NZX is not required to act on the Issuer's request for a trading halt.

3. Generally, NZX will not grant a trading halt for more than two Business Days unless satisfied an extended trading halt is necessary.

4. Among the conditions which NZX may require in the case of a request, pursuant to Listing Rule 5.4.1(b), for cancellation of Listing or Quotation of some or all of its Securities (or both) are:

   (a) A requirement for a prior approving resolution of Security holders of the Class of Securities proposed to be cancelled who are Members of the Public; and

   (b) Arrangements to protect rights of any Class of Security holders which arise under the Rules and which, if lost on cessation of Listing, would prejudice the position of those holders.

5. In the case of a compulsory acquisition following a takeover offer, NZX will generally suspend Quotation of an Issuer's Securities 5 Business Days after it receives a copy of an acquisition notice under the Takeovers Code.

5.4.2 NZX may at any time, and in its absolute discretion, do any one or more of the following, without giving any reasons and (subject to Rule 5.4.4) without giving prior notice to the Issuer concerned:

(a) cancel the Listing of any Issuer; or

(b) cancel, halt or suspend for such period as NZX thinks fit, the Quotation of any or all of an Issuer's Securities; or

(c) refer the conduct of any Issuer, or of any Director or Associated Person of any Issuer, to the Tribunal or any statutory or governmental authority.

5.4.3 Without limiting Rule 5.4.2, NZX may exercise any of its powers under Rule 5.4.2 if it considers that:

(a) a false market exists in any or all of an Issuer's Securities; or

(b) any provision of the Rules has not been complied with by an Issuer or any Director or officer of that Issuer; or

(c) the spread requirements specified in Rule 5.2.3 are not being met in respect of any or all of an Issuer's Securities and the Issuer has failed to inform NZX that it has become aware that the requirements are not being met or the Issuer has failed to take steps to ensure

compliance with the spread requirements at the earliest possible time; or

(d) it is in the best interests of the market, or attainment of the intent and objects of the Rules, to exercise such a power; or

(e) there occurs in respect of an Issuer:

(i) a change in control of Votes of that Issuer which confers an effective controlling interest in the Issuer, or a change in ownership in all or substantially all of those Securities of the Issuer carrying Votes; and

(ii) a cessation of, or change in the essential nature or direction of, the business or activities of that Issuer.

1. NZX may, but generally will not, remove Listing from an Issuer or Quotation of a Class of Securities only because the minimum spread requirements in Listing Rule 5.2.3 cease to be satisfied. Listing or Quotation will be removed in those circumstances (or may at the discretion of NZX, be qualified by a Non Standard designation) if NZX considers, taking account of any circumstances it thinks fit including the nature of the Issuer and the general characteristics of holders of its Quoted Securities, that:

(a) trading in the market in those Securities is limited and/or:

(i) quotations for the Securities; and/or

(ii) prices at which sales are reported to occur; and/or

(iii) any pattern of transactions;

gives or appears to give a false indication of proper arm's length market prices; and

(b) continuation of Listing without Non Standard designation, or at all, as the case may be, is likely in the opinion of NZX to give rise to an unacceptable risk of damage to the reputation of NZX.

(c) NZX will be influenced by the extent to which any reports or references to the Listing of the Issuer or Quotation of all or any Class of its Securities could mislead people as to the value of investment in its Quoted Securities.

2. In relation to an Issuer who fails to issue its preliminary full year

or half year announcement reports, annual and half-year reports or quarterly reports of consolidated cash flows, by their respective due dates, NZX will observe the following policy:

(a) NZX will immediately publish their names; and

(b) if after five Business Days following the relevant due date, that Issuer has not complied, Quotation of all or any Class of that Issuer's Securities will be suspended, until such time as the Issuer has complied; and

(c) in appropriate cases, either in addition to or in substitution for the steps taken under paragraphs (a) or (b), NZX may pursuant to Rule 2.3, and at the expense of the Issuer, use its power of inspection to ascertain and inform the market of the state of that Issuer.

5.4.4 If NZX exercises its power under Rule 5.4.2 without giving prior notice or reasons to the Issuer concerned it shall, as soon as practicable thereafter, give notice to the Issuer concerned, explaining the reasons for the decision to exercise its powers in that manner. NZX shall not act in that manner unless NZX forms the opinion that any delay involved in giving prior notice or explanation of the reasons may prejudice the interests of other participants in the market.

5.4.5 The suspension of Quotation or trading shall not release the Issuer concerned from any obligation (whether to pay fees or otherwise) it has under the Rules, and the cancellation of Listing or Quotation shall not release the Issuer concerned from any such obligation it has under the Rules in respect of any period or matter occurring before the cancellation.

5.5 General Obligations While Listed

5.5.1 An Issuer which has NZX as its Home Exchange shall at all times while it is Listed:

(a) appoint a natural person resident in New Zealand as the person with whom NZX may communicate, and who is authorised on behalf of that Issuer to accept service of notices or legal proceedings from NZX unless that Issuer is a company incorporated in New Zealand; and

(b) hold all meetings of holders of Quoted Securities of that Issuer in New Zealand.

NZX may waive the requirement in Rule 5.5.1(b) on application in respect of particular meetings if it is satisfied that Quoted Security holders generally are not likely to be prejudiced by the holding of

the meeting outside New Zealand.

5.5.2 Each Issuer shall pay to NZX the fees prescribed by NZX from time to time.

Main Board/Debt Market Listing Rules

Section 6: Requirements for Documents

6.1 Approval of Documents by NZX

6.1.1 The documents listed in Rule 6.1.2 shall be subject to the approval of NZX, and shall not be circulated to holders of Securities, executed, or otherwise given effect to in any way, until the written approval of NZX is obtained.

6.1.2 The documents referred to in Rule 6.1.1 are:

(a) any Constitution; and

(b) any Trust Deed; and

(c) any proposed change to the documents referred to in (a) or (b); and

(d) any notice of a meeting of holders of Quoted Securities to consider any matter other than declaring a dividend, the consideration of financial statements and reports of Directors or auditors, the election of Directors, the fixing of the remuneration of Directors, a change of name of the Issuer, or the appointment of, and fixing of remuneration of, auditors, or a resolution required or permitted under the Takeovers Code; and

(e) any Offering Document, Profile, or Prospectus in respect of Securities Quoted or to be Quoted on the Main Board or Debt Market except where NZX has determined approval is not required.

1. NZX will not look favourably upon resolutions contained in notices of meeting of holders of Quoted Securities which purport to confer on the Board discretions to undertake certain transactions, where the material details of such transactions are not settled or cannot be disclosed and adequately explained to the Quoted Security holder to enable that Quoted Security holder to make an informed decision whether to vote in favour of that resolution, and NZX may decline to approve any notice of meeting which contains such resolutions.
2. NZX will likely exercise its discretion under Rule 6.1.2(e) to determine that approval is not required for Offering Documents or Prospectuses for Securities offered that will not be Quoted or for Offering Documents or Prospectuses registered under the Securities Act 1978 in respect of employee share schemes.

6.1.3 Whenever an Issuer or applicant for Listing submits to NZX for approval a Constitution, a Trust Deed, or any proposed change to a Constitution or Trust Deed, that Issuer or applicant shall also submit a solicitor's opinion. That opinion shall:

(a) be provided by a solicitor or firm of solicitors approved by NZX; and

(b) be addressed to NZX, and acknowledge that the solicitor or firm of solicitors accepts responsibility to NZX in respect of the opinion;

(c) disclose any conflicting duties or interests the solicitor or firm of solicitors has and confirm that that disclosure is complete in all respects;

(d) state whether in the opinion of that solicitor the document in question complies with the Rules; and

(e) state whether in the opinion of that solicitor any matters in the document raise issues capable of dispute or differing interpretation as to compliance with the Rules, and if so, identifying those matters.

The opinion should indicate if, in the author's opinion, the relevant document raises questions as to comprehensiveness, consistency, or coherence in the light of the policy objectives and spirit of the Rules.
While NZX may agree to receive an opinion provided by the Issuer's solicitor if NZX is not satisfied with that opinion (for whatever reason), it may require a further opinion by an independent solicitor approved by NZX. See also Rule 5.3.4.

6.1.4 Each document referred to in Rule 6.1.2 shall be submitted to NZX in draft form for approval at least 10 Business Days before that document is intended to be circulated, executed, or otherwise given effect to (or, if that document is to be printed, 10 Business Days before printing is intended to commence).

6.1.5 Each document referred to in Rule 6.1.2 shall be submitted in its proposed full form, and if more than one document is required to be approved, they shall be submitted together. If an Appraisal Report is required to accompany a notice of meeting, a draft of that Appraisal Report shall be submitted together with the draft of the notice of meeting and any information required by NZX for the purposes of Rule 1.7. The period of 10 Business Days referred to in Rule 6.1.4 shall not commence until NZX has received all relevant documents in their proposed final form. If any alteration is made to a document already submitted (that alteration not being required as a consequence of NZX's review of that document), NZX may regard in its absolute discretion that period of 10

Business Days as commencing at the time that alteration is received by NZX.

6.2 Notices of Meeting

6.2.1 The text of any resolution to be put to a meeting of an Issuer for the purposes of Rule 7.3.1, Rule 7.3.5(c), Rule 7.5 or Rule 7.6.5 shall be set out in the notice of the relevant meeting. That notice shall be approved by NZX in accordance with Rule 6.1, and shall contain the precise terms and conditions of the specific proposal to issue, ratify the issue of, acquire, or redeem the Securities in question, or to provide financial assistance. The resolution shall not authorise any issue, acquisition, redemption or assistance which varies in any material respect from the description in the notice. As a minimum, the notice or the papers accompanying it shall state or contain so much of the following information as is applicable:

(a) the number of Securities to be issued, acquired, or redeemed or, if the number is not known, the formula to be applied to determine the number, and the maximum number which may be issued, acquired or redeemed; and

(b) the purpose of the issue, acquisition or redemption; and

(c) the issue, acquisition or redemption price, or if the price is not known, the formula to be applied to determine the price, and the time or times for payment with sufficient detail to enable Security holders to ascertain the terms of issue, acquisition or redemption to or from any party; and

(d) the party or parties to whom the Securities are to be issued, or from whom they are to be acquired, where that is known, and in all cases identifying by name any such parties who are Directors or Associated Persons of the Issuer or any Director; and

(e) in the case of an issue, the consideration for the issue and where that is cash, the specific purpose for raising the cash; and

(f) the period of time within which the issue, acquisition or redemption will be made; and

(g) in the case of an issue, the ranking of the Securities to be issued for any future benefit; and

(h) in the case of a resolution under Rule 7.6.5 authorising the giving of financial assistance, the amount and full terms of that assistance, and the party or parties to whom that assistance is to be given, identifying by name any such

parties who are Directors or Associated Persons of the Issuer or any Director.

6.2.2 A notice of meeting to consider a resolution of the nature referred to in Rule 6.2.1 shall be accompanied by an Appraisal Report if;

(a) the resolution is required by Rule 7.5; or

(b) in the case of an issue, the issue is intended or is likely to result in more than 50% of the Securities to be issued being acquired by Directors or Associated Persons of Directors of the Issuer; or

(c) in the case of an acquisition or redemption or the giving of financial assistance, it is intended or likely that more than 50% of the Securities to be acquired or redeemed will be Securities held by Directors or Associated Persons of Directors of the Issuer, or that more than 50% of the total financial assistance to be given will be given to such persons.

6.2.3 Each notice of meeting of holders of Securities shall contain or be accompanied by sufficient explanation to enable a reasonable person to understand the effect of the resolutions proposed in the notice of meeting.

6.2.4 Without limiting Rule 6.2.3, notices in respect of proposed changes to a Constitution or Trust Deed shall be sufficiently explicit to enable the effect of such changes to be understood without reference to the existing or proposed Constitution or Trust Deed. The notice shall state that the changes have been approved by NZX.

6.2.5 If:

(a) resolution is to be proposed at a meeting of shareholders of an Issuer which is a company registered under the Companies Act 1993; and

(b) that resolution is passed, shareholders will have the right to require the Issuer to purchase their shares by virtue of section 110 or section 118 of that Act,

then the notice of meeting to consider that resolution shall contain a prominent statement of the right referred to in (b).

6.2.6 A proxy form shall be sent with each notice of meeting of Quoted Security holders and shall:

(a) as a minimum, (so far as the subject matter and form of the resolutions reasonably permits) provide for two-way voting

(for or against) on all resolutions, enabling the Quoted Security holder to instruct the proxy as to the casting of the vote; and

(b) not be sent with any name or office (e.g., chairperson of directors) filled in as proxy holder.

So far as is reasonably practicable, resolutions shall be framed in a manner which facilitates two-way voting instructions for proxy holders.

1. A proxy form may also provide for the Security holder to abstain from voting on each resolution and/or for the proxy to exercise a discretion to vote for or against each resolution, and should clearly state the consequences if no proxy instruction is provided.
2. Rule 6.2.6 is not intended to prohibit any Director or person at his own expense soliciting Quoted Security holders in a personal capacity for their proxies.
3. The proxy may include a footnote to the effect that certain officers of the Issuer or other persons are willing to act as proxy if the Quoted Security holder wishes to appoint them.
4. Issuers should have regard to Rule 9.3.3 and the footnote to that Rule.

6.3 Other Notices

6.3.1 Equity Security holders of all Classes shall be entitled to attend general meetings and to receive copies of all notices, reports and financial statements issued generally to holders of Securities carrying Votes.

The use of the word “reports” in Rule 6.3.1 makes this wider than the provisions of companies legislation regarding formal notices.

6.3.2 If a holder of a Quoted Security has no registered address within New Zealand and has not supplied to the Issuer an address within New Zealand for the giving of notices, but has supplied an address outside New Zealand or an electronic address, then notices for that Quoted Security holder shall be posted to such physical address or sent electronically to such electronic address, and shall be deemed to have been received by that Quoted Security holder 24 hours after the time of posting.

Main Board/Debt Market Listing Rules

Section 7: Issues and Buy Back of Securities

7.1 Offering Documents, Profiles and Advertisements

7.1.1 An Issuer or applicant for Listing shall prepare and issue:

(a) an Offering Document, if required to do so by the Securities Act 1978, the FMC Act or any other legislation in respect of Securities Quoted or to be Quoted on the Main Board or the Debt Market; and

(b) a Profile, if required to do so by NZX, when seeking initial Quotation of Securities of the Class in question; and

(c) a Profile, if required to do so by NZX, if there occurs:

(i) a change in control of Votes of the Issuer which confer an effective controlling interest in the Issuer, or a change in ownership in all or substantially all of the Securities of the Issuer carrying Votes; or

(ii) a sale or other disposition of the whole or the major part of the assets or undertaking of the Issuer; or

(iii) a cessation of, or change in the essential nature or direction of, the business or activities of the Issuer.

A Profile will generally be required by Rule 7.1.1(b) where an Issuer is applying for Quotation of Securities (otherwise than in connection with an offer to which applicable law requires an Offering Document to be prepared) except where the Issuer is applying for Quotation of Securities which have substantially similar characteristics to Securities of a kind that are already Quoted.
NZX may require the Issuer to provide additional information, including information for distribution to Security holders, under Rule 5.2.2(e).

7.1.2 Every Offering Document, Prospectus and Register Entry shall comply with, and contain all information required by applicable legislation and by the Rules.

If an exemption has been granted by the FMA under a provision of the Securities Act 1978 or the FMC Act, then an Offering Document or Register Entry which is in accordance with that exemption will comply with applicable legislation and will accordingly comply with this Rule 7.1.2. Note however footnote 2 to Rule 7.1.6.

7.1.3 Every Profile shall:

(a) contain the information required to be contained in a PDS under the FMC Act as if Securities of the Issuer were being offered in a regulated offer under the FMC Act, unless NZX determines that such information need not be included in the Profile; and

(b) contain all information required by the Rules; and

(c) contain, or incorporate by reference, all other information NZX, in its sole discretion, might reasonably require.

NZX will ordinarily require a Profile to contain or incorporate by reference material information that would need to be included in a Register Entry were Securities being offered under a regulated offer under the FMC Act. Where such information is incorporated by reference, NZX may require an Issuer to place on the information on the Issuer's internet website.

7.1.4 A Profile shall be distributed to such persons, and in such manner, as NZX may determine and must be provided to NZX for release to the market.

7.1.5 Every Offering Document or Profile shall contain:

(a) a statement of the principal terms of the Securities offered by or referred to in that Offering Document or Profile, and of the principal terms of the offer of those Securities (if applicable); and

(b) if applicable, a timetable of all relevant dates for:

(i) opening and closing of the offer; and

(ii) allotment, Quotation and trading of the Securities offered and/or Rights to those Securities; and

(iii) the payment of initial dividends, interest or other benefits under the Securities; and

(c) in its subscription application a field for subscribers to insert their CSN number (if any); and

(d) if the Offering Document relates to an offer made in contemplation of Listing, a description of the arrangements that a Security holder would need to have in place in order to trade the Securities offered on the Main Board or the Debt Market.

For the assistance of Issuers, a table summarising timing of a new issue is set out in Appendix 8.

7.1.6 Each Offering Document, Prospectus or Profile shall be approved by NZX in accordance with Rule 6.1. The draft shall be accompanied by the material listed in Rule 5.2.2, insofar as that material has not already been submitted to NZX. NZX may as a condition of its approval of that Offering Document or Profile require that Offering Document or Profile to contain such information, in addition to the information referred to in the Rules, as NZX in its discretion considers appropriate.

1. NZX has a complete discretion whether or not to approve an Offering Document, Prospectus or Profile. The fact that a document may comply with applicable legislation (as may be modified by any exemption), does not necessarily mean that it will be approved by NZX.

7.1.7 Every Offering Document or Advertisement relating to an issue or sale in respect of Securities which are Quoted or intended to be Quoted to which the Securities Act 1978 applies shall contain the relevant statements (if any) required by Regulation 39 of the Securities Regulations 2009 together with such other statement as may be required by NZX. Every Offering Document or Advertisement to which the Securities Act 1978 applies which refers to Primary Market Participants or to NZX or to Listing or Quotation, but which does not relate to Securities which are Quoted or intended to be Quoted, shall contain such statement as NZX may require.

7.1.8 If NZX requires, every Offering Document shall state the number and percentage of Securities of the Class being offered which have been reserved for any class of applicant or are otherwise not available for application by Members of the Public, including Securities which are not part of the issue or are not offered under the Offering Document, and the names or description of any class of persons to whom any preference in allotment is to be given. NZX may in any particular case require the inclusion of a statement to this effect in any Advertisement.

7.1.9 No Offering Document shall include provision for the variation of the rate of commission payable in respect of subscription for the Securities concerned unless it also states the maximum rate which may be payable.

7.1.10 Every Offering Document, after stating that applications may be made to the Issuer, shall (unless otherwise determined by NZX) state that they may be lodged with any Primary Market Participant, the Organising Participant or any other channel approved by NZX

(in that order) in time to enable forwarding to the appropriate place prior to the application closing date.

7.1.11 In any issue of Securities (other than by a Rights issue or issue under Rule 7.3.10(e)), the minimum subscription by any person shall not be less than a Minimum Holding.

7.1.12 If NZX requires, every Offering Document shall state the method of dealing with over-subscriptions, and the maximum amount of over-subscriptions which will be accepted.

7.1.13 If NZX requires, each Offering Document shall specify:

(a) the period within which a refund of subscription moneys will be made to applicants for Securities to whom allotments are not made; and

(b) whether or not interest will be paid on amounts refunded in terms of (a) and, if so, the basis upon which interest will be calculated.

7.1.14 If an Offering Document contains provision for variation in interest rates or other rates of return, the Issuer shall advise any reduction in rates to subscribers who apply for Securities otherwise than on the basis of the reduced rates. Unless those subscribers confirm their application for Securities, those Subscribers shall be repaid their subscription moneys within the period specified in accordance with Rule 7.1.13, together with any interest referred to in Rule 7.1.13.

7.1.15 Every Offering Document or Profile other than an Offering Document issued by an Issuer which at the time has Securities Quoted on a market provided by NZX shall include:

(a) a statement of the identity of any Substantial Product Holders disclosed to the Issuer (if necessary following a request by the Issuer), the nature of the relevant interests held by each of them, and the consideration and other terms and conditions of any transaction under which the beneficial owner acquired and holds those securities as disclosed to the Issuer;

(b) a statement as to the identity of any person who received from the Issuer a request pursuant to Rule 7.1.15(a)and who failed or refused to provide to that Issuer the information requested; and

(c) the date as at which the identity of the persons disclosed under (a) or (b) above is disclosed.

7.1.16 Every Profile or an Offering Document for an offer of Equity Securities made in contemplation of Listing shall specify the Directors intentions and expectations as to the Issuer's future dividend policy. Every other Offering Document for an offer of Equity Securities shall either specify the Issuer's dividend policy or refer to the Issuer's internet site where information about the dividend policy may be obtained.

7.1.17 Any statement required by the Rules to be contained in an Offering Document, Profile or Advertisement shall be sufficiently prominent and legible so as to come to the attention of a reasonable person reading or viewing that Offering Document of Advertisement.

7.2 Contents of Offering Documents-Additional Requirements for Debt Securities

7.2.1 Where the terms of an issue provide for early repayment of Debt Securities, the Offering Document for that issue of Debt Securities shall also state the basis on which interest to the date of repayment will be calculated.

7.2.2 If the terms of an issue of any Debt Securities provide for repayment or conversion before maturity on a date to be fixed at the discretion of the Issuer, the Offering Document for that issue of Debt Securities shall state those terms prominently.

7.3 Issue of New Equity Securities

7.3.1 No Issuer shall issue any Equity Securities unless:

(a) the precise terms and conditions of the specific proposal to issue those Equity Securities have been approved (subject to Rule 7.3.3) by separate resolutions (passed by a simple majority of Votes) of holders of each Class of Quoted Equity Securities of the Issuer whose rights or entitlements could be affected by that issue, and that issue is completed within the time specified in Rule 7.3.2; or

(b) the issue is made in accordance with any of Rules 7.3.4 to Rule 7.3.11.

1. Rule 9.3.1 deals with the persons entitled to vote on a resolution under this Rule 7.3.1.

2. The attention of Issuers is drawn to Rule 8.1, which may apply to the issue of Equity Securities which carry Votes.

7.3.2 An issue authorised by resolutions passed pursuant to Rule 7.3.1(a) shall be completed:

(a) if that issue is made solely to Employees within 36 months after the passing of those resolutions; or

(b) in all other circumstances, within twelve months after the passing of those resolutions.

7.3.3 A resolution pursuant to Rule 7.3.1(a) of the holders of a Class of Securities shall not be required if:

(a) the terms of issue of those Securities expressly reserved the right to make the issue of new Equity Securities in question, and specified at least the maximum number, and Class, of new Equity Securities which could be issued, and the time within which they could be issued; or

(b) those Securities were issued before 1 September 1994 on terms that the holders of those Securities would not be entitled to Vote on a resolution of the nature referred to in Rule 7.3.1(a); or

(c) those Securities were issued on terms that the holders of those Securities would Vote together with the holders of another Class or Classes of Equity Securities on a resolution of the nature referred to in Rule 7.3.1(a) and the issue is approved by a resolution (passed by a simple majority of Votes) of holders of all the relevant Classes Voting together.

7.3.4 An Issuer may issue Equity Securities if:

(a) those Equity Securities are offered to holders of existing Equity Securities of the Issuer on a basis which, if the offer were accepted by all such holders, would maintain the existing proportionate rights of each existing holder (relative to other holders of Equity Securities) to Votes and to Distribution Rights, and that offer is Renounceable; or

(b) those Equity Securities are issued to holders of existing Equity Securities of the Issuer as fully paid Securities on a basis which maintains the existing proportionate rights of each existing holder (relative to other holders of Equity Securities) to Votes and to Distribution Rights; or

(c) those Equity Securities are offered to all holders of existing Equity Securities of the Issuer carrying Votes, for consideration not exceeding $15,000 per existing Equity Security holder (being the registered holder or, in the case of Securities held through a custodian, the beneficial owners of the Securities) in any 12 month period, and the number of Equity Securities to be issued is not greater

than 30% of the number of fully paid Equity Securities carrying Votes that are already on issue.

Notwithstanding (a), (b) and (c), the Issuer shall be entitled:

(d) to issue any Equity Securities in respect of which an offer is not accepted, or which because of fractional entitlements are not otherwise offered, to such persons and in such manner as the Directors consider equitable and in the interests of the Issuer, provided that the price and terms and conditions of the issue of such Equity Securities are not materially more favourable to the persons to whom they are issued than the terms of the original offer and the issue is completed within 3 months after the close of the original offer; and

(e) to offer and issue Equity Securities to the holders of existing Securities in accordance with specific rights attached to those existing Securities to participate in issues of Equity Securities, notwithstanding that the effect may be that existing proportionate rights to Votes and Distribution Rights are not maintained; and

(f) to authorise a disproportionate offer to the extent necessary to round up holdings of Equity Securities to a Minimum Holding, or to avoid the creation of holdings which are not Minimum Holdings; and

(g) to not offer or issue Equity Securities to holders of existing Equity Securities the terms of which expressly exclude the right to participate in the relevant offer or issue; and

(h) to not offer or issue Equity Securities to holders of existing Securities in a jurisdiction outside New Zealand if in the Issuer's reasonable opinion it is unduly onerous for the Issuer to make the offer in that jurisdiction provided that in the case of Renounceable Rights, the Issuer shall arrange the sale of any Renounceable Rights to the relevant Equity Securities and to account to holders in that jurisdiction for the proceeds.

In this Rule 7.3.4, "Distribution Right" means a right of the nature referred to in paragraph (a) or paragraph (b) of the definition of "Equity Security" in Rule 1.6.1.

1. Rule 7.3.4 allows the Directors to make a pro rata fully paid bonus issue, or pro rata renounceable cash issue, without prior approval of Equity Security holders.

2. Rule 7.3.4(d) is intended to permit Issuers to offer Equity Security holders the opportunity to apply for Equity Securities, or act as an underwriter for an offer of Equity Securities, in addition to taking up their entitlement under the offer.

3. Rule 7.3.4(e) is intended to allow holders of Securities with rights to participate in cash or bonus issues of Equity Securities to participate in those issues.

4. An Issuer should have regard to the following factors when considering whether it is unduly onerous to make an offer in a jurisdiction outside New Zealand:

- The number of Equity Security holders of the Issuer in the place where the offer will be made; and
- The number and value of the Securities the holders would be offered; and
- The cost of complying with the legal requirements, and requirements of a regulatory authority, in the jurisdiction outside New Zealand, but Rule 7.3.4(h) is not intended to require an Issuer to obtain a legal opinion that to offer or issue Equity Securities to holders of existing Securities in a jurisdiction outside New Zealand is unduly onerous, if the Issuer determines that the cost of obtaining such legal opinion would be unreasonable.

7.3.5 An Issuer may issue Equity Securities if the total number of Equity Securities issued, and all other Equity Securities of the same Class issued pursuant to this Rule 7.3.5 during the shorter of the period of 12 months preceding the date of the issue and the period from the date on which the Issuer was Listed to the date of the issue, will not exceed the aggregate of:

(a) 20% of the total number of Equity Securities of that Class on issue at the commencement of that period; and

(b) 20% of the number of the Equity Securities of that Class issued during that period pursuant to any of Rule 7.3.1(a), Rule 7.3.4, Rule 7.3.6 and Rule 7.3.10; and

(c) any Equity Securities of that Class issued pursuant to this Rule 7.3.5 during that period, the issue of which has been ratified by an Ordinary Resolution of the Issuer; and less

(d) 20% of the number of Equity Securities of that Class which have been acquired or redeemed by the Issuer during that period (other than Equity Securities held as Treasury Stock); and

Provided that for the purposes of this Rule 7.3.5:

(e) Employees of the Issuer, Directors of the Issuer or Associated Persons of a Director of the Issuer may only participate in an issue made under this Rule if:

(i) all Directors voting in favour of the resolution to issue the Equity Securities sign a certificate that the participation of Employees and/or Directors and/or Associated Persons of a Director, as the case may be, in the issue is in the best interests of the Issuer and fair to holders of Equity Securities who are not receiving or are not associated with those parties receiving, Equity Securities under the issue; and

(ii) the terms of the issue to all persons in an offer under this Rule are the same; and

(iii) the level of participation of any Director, Associated Person of a Director or Employee is determined according to criteria applying to all persons participating in the issue; and

(f) Securities which will, or may, Convert to other Equity Securities shall be deemed to be of the same Class as, and to correspond in number to, the Equity Securities into which they will, or may, Convert; and

(g) where the conversion ratio is fixed by reference to the market price of the underlying Equity Securities, the market price, unless otherwise specified in the terms of the issue, shall be the volume weighted average market price over the 20 Business Days before the earlier of the day the issue is made or announced to the market.

1. Rule 9.3.1 deals with the persons entitled to vote on a resolution under this Rule 7.3.5.

2. Rule 7.3.5(c) allows an Issuer to renew its capacity to issue Equity Securities within the 20% limit when it has been used, by obtaining subsequent Equity Security holder ratification of the issue which has already been made.

7.3.6 An Issuer may issue Equity Securities if:

(a) the issue is made to Employees of the Issuer and may include issues to Directors and Associated Persons of Directors whose participation has been determined by reference to criteria applying to Employees generally; and

(b) the issue is of a Class of Securities already on issue; and

(c) the total number of Equity Securities issued, and all other Equity Securities of the same Class issued to Employees of the Issuer pursuant to this Rule 7.3.6 during the shorter of the period of 12 months preceding the date of the issue and the period from the date on which the Issuer was Listed to the date of the issue, does not exceed 3% of the aggregate of:

(i) the total number of Equity Securities of that Class on issue at the commencement of that period; and

(ii) the total number of Equity Securities of that Class issued during that period pursuant to any of Rule 7.3.1(a), Rule 7.3.4, Rule 7.3.5, and Rule 7.3.10.

Provided that for the purposes of this Rule 7.3.6:

(d) Securities which will, or may, Convert to other Equity Securities shall be deemed to be of the same Class as, and to correspond in number to, the Equity Securities into which they will, or may, Convert; and

(e) where the conversion ratio is fixed by reference to the market price of the underlying Equity Securities, the market price, unless otherwise specified in the terms of the issue, shall be the volume weighted average market price over the 20 Business Days before the earlier of the day the issue is made or announced to the market.

7.3.7 For the purposes of Rule 7.3.6, an issue to a Director, or an Associated Person of a Director, solely in that person's capacity as a trustee of a bone fide employee share scheme, superannuation scheme, or the like, in which that Director or Associated Person has no beneficial interest, shall be deemed not to be an issue to a Director or Associated Person of a Director, or an issue in which Directors or Associated Persons participate.

7.3.8 An Issuer may issue Equity Securities to a Director if:

(a) the issue is made in accordance with a resolution passed under Rule 3.5.1; and

(b) the issue is of a Class of Equity Securities already on issue; and

(c) the issue of Equity Securities is made after the end of the period (or half period) to which that remuneration relates; and

(d) the issue price of the Equity Securities is equal to the volume weighted average market price of Equity Securities of that class over the 20 Business Days before the issue occurs.

7.3.9 Except as provided in Rule 8.1.7, Rule 8.1.8 and Rule 8.1.9, no Issuer may reprice or amend the terms of any Securities issued with approval under Rule 7.3.1(a) to or for the benefit of Employees or Directors, in their capacity as such, without either the approval of NZX or a further Ordinary Resolution of the Quoted Equity Security holders approving the repricing or amendment.

This Rule 7.3.9 does not preclude an Issuer amending the terms of an employee share scheme in accordance with an express power in the terms of the scheme, this power having been approved by Quoted Equity Security holders under Rule 7.3.1(a) as part of the initial terms of the scheme, provided that the power of the Issuer to amend the scheme was disclosed in the notice of meeting provided for the purpose of approving that issue.

7.3.10 An Issuer may issue Equity Securities if:

(a) the issue is made as consideration in an offer made by the Issuer in accordance with:

(i) any takeovers code approved under the Takeovers Act 1993; or

(ii) the provisions of the Constitution or Trust Deed of another Issuer which comply with Section 4 where that other Issuer is not a Code Company; or

(iii) any takeover law regime of a jurisdiction other than New Zealand which provides for prior notice, publicity and disclosure which in the opinion of NZX is at least as useful to the recipients of the offer as the requirements of one or more of the provisions referred to in (i) or (ii);

and that offer is made to all holders (other than the Issuer and its Related Companies) of Equity Securities in any company or other entity, Listed on NZSX or on a Recognised Stock Exchange, which is not a company or other entity that is an Associated Person of the Issuer or of any Director of the Issuer; or

(b) the issue of Equity Securities (Security B) is made on Conversion of any Security (Security A); and

(i) the terms of issue of Security A provided for the Conversion to Security B and the issue of Security

A was approved in the manner set out in Rule 7.3.1(a), (whether or not Rule 7.3.1(a) applied to the issue of Security A), or Security A was issued in accordance with any of Rule 7.3.4, Rule 7.3.5, Rule 7.3.6, Rule 7.3.10(a), or Rule 7.3.10(e) (whether or not any of those Rules applied to the issue of Security A); or

(ii) the issue of Security B is approved in the manner set out in Rule 7.3.1(a), or is issued in accordance with Rule 7.3.5 or Rule 7.3.6; or

(c) the issue is made to an existing holder of Equity Securities of the Issuer in order to bring that holder's holding up to a Minimum Holding; or

(d) the issue is made pursuant to an arrangement, amalgamation or compromise effected pursuant to Part 13 or Part 15 of the Companies Act 1993; or

(e) the issue is made pursuant to a plan for the issue of Securities in lieu of dividends or as part of a dividend re-investment plan that entitles an existing Security holder to subscribe for Securities by applying all or any specified part of any dividend declared by an Issuer and payable to that person, and which issue or dividend reinvestment plan would, (except to the extent that the plan excludes existing holders in a jurisdiction outside New Zealand if in the Issuer's reasonable opinion it is unduly onerous for the Issuer to extend the plan to that jurisdiction), maintain the existing proportionate right of each existing holder relative to other holders of Equity Securities to Votes and Distribution Rights, if the offer were accepted by all such holders.

1. NZX may waive the condition which excludes issues in connection with takeovers of Associated Persons where it is satisfied that:

(a) the issue is not intended to:

(i) increase or entrench any effective controls of the Issuer by persons who are not Members of the Public; or

(ii) materially change the relative positions of other holders in relation to the effective control of the Issuer; and/or

(b) the likelihood that the proposal to issue the Securities is motivated by the personal interest of those in effective control of the Issuer (in distinction to the interests of the holders not associated with them) is insignificant in relation to the expense and inconvenience involved in obtaining approval under Rule 7.3.1.

2. Issues pursuant to any paragraph of Rule 7.3.10 (and in particular paragraphs (a) and (d)) may require Security holder approval pursuant to Rule 7.5 or Rule 9.2.

3. An Issuer should have regard to the factors set out in footnote 4 to Rule 7.3.4 when considering whether to exclude holders in a jurisdiction outside New Zealand from participating in issues made under a plan referred to in Rule 7.3.10(e).

7.3.11 A transfer, by an Issuer which is a company registered under the Companies Act 1993, of Treasury Stock of that Issuer shall for the purposes of this Rule 7.3 be deemed to constitute an issue of Equity Securities.

7.4 Entitlements to Third Party Securities

7.4.1 Entitlements conferred by the holding of Equity Securities of an Issuer, to Securities of a third party (whether or not that third party is an Issuer), shall not be created or conferred other than in compliance with Rule 7.3, as if such Securities comprised an issue of Equity Securities of the Issuer.

7.5 Issues and Buybacks of Securities Affecting Control

7.5.1 Notwithstanding the provisions of Rules 7.3 and Rule 7.6, no issue, acquisition, or redemption of Securities shall be made by an Issuer if:

(a) there is a significant likelihood that the issue, acquisition, or
redemption will result in any person or group of Associated Persons materially increasing their ability to exercise, or direct the exercise of (either then or at any future time) effective control of that Issuer; and

(b) that person or group of Associated Persons is entitled before the issue, acquisition, or redemption to exercise, or direct the exercise of, not less than 1% of the total Votes attaching to Securities of the Issuer;

unless the precise terms and conditions of the issue, acquisition or redemption have been approved by an Ordinary Resolution of the Issuer.

1. In determining whether a person or group of Associated Persons has materially increased their ability to exercise effective control of an Issuer, regard should be had to all relevant circumstances, such as other holdings of Securities of the Issuer, and the crossing of significant shareholding or control thresholds.

2. NZX will regard Rule 7.5 as applicable where a shareholder or Associated Person underwrites or sub-underwrites a Rights or other issue and a shortfall results in the underwriter or sub-underwriter, or group of Associated Persons including the underwriter or sub-underwriter, materially increasing its ability to exercise effective control of the Issuer. Accordingly, if there is a significant likelihood of that occurring, any such underwriting arrangement should be approved by an Ordinary Resolution or be the subject of a waiver granted by NZX, before it is entered into.

3. Rule 9.3.1 deals with the persons entitled to vote on a resolution under this Rule 7.5.

4. Any agreement involving a transaction referred to in this Rule 7.5 must comply with Rule 1.16.

5. A resolution required under this Rule 7.5 shall be accompanied by an Appraisal Report. See Rule 6.2.2(a).

7.6 Buy Backs of Equity Securities, Redemption of Equity Securities, and Financial Assistance

7.6.1 An Issuer shall not acquire or redeem Equity Securities of that Issuer other than by way of:

(a) an acquisition effected by offers made by the Issuer through NZX's order matching market, or through the order matching market of a Recognised Stock Exchange; or

(b) an acquisition effected in compliance with section 60(1)(a) (read together with section 60(2)) of the Companies Act 1993; or

(c) an acquisition of the nature referred to in section 61(7) of the Companies Act 1993; or

(d) an acquisition or redemption approved in accordance with Rule 7.6.5; or

(e) an acquisition required by a shareholder of the Issuer pursuant to sections 110 or 118 of the Companies Act 1993; or

(f) an acquisition effected in compliance with section

60(1)(b)(ii) (read together with section 61) of the Companies Act 1993 and:

(i) is made from any person who is not a Director or an Associated Person of a Director of the Issuer; and

(ii) the total number of Equity Securities of the same Class acquired together with all other Equity Securities of the same Class as those Equity Securities that are to be acquired, pursuant to this Rule 7.6.1(f) during the shorter of the period of 12 months preceding the date of the acquisition and the period from the date on which the Issuer was listed to the date of the acquisition, will not exceed 15% of the total number of Equity Securities of that Class on issue at the commencement of that period; or

(g) a redemption from a holder who holds less than a Minimum Holding; or

(h) a redemption of Equity Securities issued:

(i) before 1 September 1994; or

(ii) in compliance with Rule 7.3.1(a) or Rule 7.3.4, where the Issuer is bound or entitled to redeem those Equity Securities pursuant to their terms of issue; or

(i) a redemption in compliance with section 69(1)(a) of the Companies Act 1993; or

(j) a redemption of Debt Securities which may be Converted into Equity Securities in an Issuer which is a company, and, before that Conversion, they are redeemed in cash;

(k) an acquisition or redemption of Equity Securities that were issued under Rule 7.3.6;

Provided that for the purposes of Rule 7.6.1(f):

(l) Securities which will, or may, convert to other Equity Securities shall be deemed to be of the same Class as, and to correspond in number to, Securities into which they will, or may, convert; and

(m) where the Conversion ratio is fixed by reference to the market price of the underlying Securities, the market price for the purposes of Rule 7.6.1(f) shall be the volume

weighted average market price over the 20 Business Days before the earlier of the day the acquisition is entered into or announced to the market.

7.6.2 Before an Issuer acquires Equity Securities of that Issuer, other than an acquisition from a holder who holds less than a Minimum Holding, the Issuer shall give at least 3 Business Days notice to NZX. That notice shall:

(a) specify a period of time not exceeding 12 months from the date of the notice within which the Issuer will acquire Equity Securities; and

(b) specify the Class and maximum number of Equity Securities to be acquired in that period:

Provided that an Issuer may at any time by 3 Business Days notice to NZX vary any notice so given and may cancel such notice at any time.

As to subsequent notice of acquisition of Equity Securities, see Rule 7.12.1.

7.6.3 An Issuer shall not give financial assistance for the purpose of, or in connection with, the acquisition of Equity Securities issued or to be issued by the Issuer unless the giving of that assistance:

(a) complies with Rule 7.6.4; or

(b) is approved in accordance with Rule 7.6.5.

7.6.4 An Issuer may give financial assistance of the nature referred to in Rule 7.6.3 if:

(a) the financial assistance is not given in whole or in part to any Director of the Issuer, Associated Person of a Director or Employee of the Issuer, and the amount of the financial assistance, together with the amount of all other financial assistance given under this paragraph (a) by the Issuer during the shorter of the period of 12 months preceding the date of giving of the financial assistance, and the period from the date on which the Issuer was Listed to the date of giving of the financial assistance, does not exceed 10% of the Average Market Capitalisation of the Issuer; or

(b) the financial assistance is given to Employees of the Issuer and:

(i) the amount of the financial assistance, together with the amount of all other financial assistance given under this paragraph (b) by the Issuer

during:

(A) the shorter of the period of three years preceding the date of giving of the financial assistance and the period from the date on which the Issuer was Listed to the date of giving the financial assistance, does not exceed $1 million; or

(B) the shorter of the period of 12 months preceding the date of giving of the financial assistance and the period from the date on which the Issuer was Listed to the date of giving of the financial assistance, does not exceed 5% of the Average Market Capitalisation of the Issuer; and

(ii) the amount of the financial assistance, together with the amount of all other financial assistance given under Rule 7.6.4(b)(i) during the shorter of the period of five years preceding the date of the giving of financial assistance and the period from the date on which the Issuer was Listed to the date of the giving of the financial assistance, does not exceed 10% of the Average Market Capitalisation of the Issuer; and

(iii) the financial assistance is not given to any Director of the Issuer or Associated Person of a Director; or

(c) the financial assistance is offered or given so that all holders of Equity Securities of the Issuer are treated, or given the opportunity to be treated, on the same basis.

NZX may waive the restriction in Rule 7.6.4(b)(iii) on Directors and Associated Persons participating in financial assistance given to Employees:

(a) so far as it affects assistance given to bona fide full time Employees who are Directors, or Associated Persons of Directors, where NZX is satisfied that the amounts and terms of the assistance will be determined according to criteria applying generally to all Employees eligible to receive the assistance, and would not, if all relevant factors were publicly disclosed, be reasonably seen as being materially influenced by the relationship; and/or

(b) where NZX is satisfied that the assistance is not likely disproportionately to benefit the persons controlling the Issuer and those associated with them.

7.6.5 An Issuer may acquire or redeem Equity Securities under Rule

7.6.1(d), or give financial assistance under Rule 7.6.3(b), if the precise terms and conditions of the specific proposal (the "Proposal") to acquire or redeem those Equity Securities, or of the giving of that financial assistance, have been approved by separate resolutions (passed by a simple majority of Votes) of members of each separate group of each Class of Quoted Equity Securities of the Issuer whose rights or entitlements are materially affected in a similar way by the Proposal.

Any agreement involving a transaction referred to in this Rule must comply with Rule 1.16.

7.6.6 A Proposal authorised by resolutions passed pursuant to Rule 7.6.5 shall be completed:

(a) if that Proposal is transacted solely with Employees within 36 months after the passing of those resolutions; or

(b) in all other circumstances, within twelve months after the passing of those resolutions.

7.6.7 For the purposes of Rule 7.6.4(b)(iii) financial assistance given to a Director or an Associated Person of a Director solely in that person's capacity as a trustee of a bona fide employee share scheme, superannuation scheme, or the like, in which that Director or Associated Person has no beneficial interest, shall be deemed not to be financial assistance given to a Director or Associated Person of a Director.

NZX may waive the prohibition on a Director or Associated Person having a beneficial interest in the scheme in question if NZX is satisfied that the beneficial interest is determined by criteria applying to Employees generally, and would not, if all relevant factors were publicly disclosed, reasonably be seen as being materially influenced by the relevant relationships.

7.6.8 Equity Securities:

(a) of an Issuer which is not a company registered under the Companies Act 1993; or

(b) which are not shares of a company registered under the Companies Act 1993.

may be acquired or redeemed under Rule 7.6.1(b), Rule 7.6.1(c), Rule 7.6.1(f) and Rule 7.6.1(i) if the Issuer complies with the sections of the Companies Act 1993 referred to in Rule 7.6.1(b), Rule 7.6.1(c), Rule 7.6.1(f) and Rule 7.6.1(i), on the basis that references in those sections of the Companies Act 1993 to:

(c) "shares" shall be deemed to be references to all Equity

Securities of the Class of Equity Securities which is the subject of the acquisition or redemption and references to "shareholders" shall be read accordingly; and

(d) "company" shall be deemed, in respect of Issuers which are not companies registered under the Companies Act 1993, to be references to the Issuer and references to directors and the board of a company shall be deemed to be references to any person entering into the Listing Agreement on behalf of that Issuer; and

(e) "constitution" shall be deemed to be references to the document which governs the rights of those Equity Securities.

7.7 Vendor Securities

7.7.1 If Vendor Securities are issued at or about the time of any issue or sale of Securities, or with a view to the issue or sale of those Securities, the Offering Document or Profile in respect of those Securities shall state with reasonable prominence either:

(a) the restrictions which are to be imposed upon the disposal of the effective ownership and control of all or any of those Vendor Securities by the holders of those Vendor Securities (and if the holders are not to be the beneficial owners of those Vendor Securities, by the beneficial owners); or

(b) that there are no restrictions of the nature referred to in (a).

7.8 Disposal of Major Holdings

7.8.1 If:

(a) at the time of the initial Quotation of a Class of Equity Securities a person holds more than 20% of the Securities of that Class; or

(b) at the time of the initial Quotation of a Class of Equity Securities a person is entitled, pursuant to a binding arrangement, to subscribe for more than 20% of the Securities of that Class (other than pursuant to a bona fide underwriting agreement),

Rule 7.8.2 shall apply in respect of the Equity Securities held or to be subscribed by that person (in this Rule 7.8 the "Specified Securities").

7.8.2 The Offering Document or Profile in respect of Securities referred

to in Rule 7.8.1 shall state with reasonable prominence either:

(a) the restrictions which are to be imposed upon the disposal of the effective ownership and control of all or any of the Specified Securities by the holders of those Specified Securities (and if the holders are not to be the beneficial owners of the Specified Securities, by the beneficial owners); or

(b) that there are no restrictions of the nature referred to in (a).

7.8.3 For the purposes of Rule 7.8.1, Securities shall be deemed to be held by a person if that person has a Relevant Interest in those Securities, or if a group of Associated Persons of which that person is one have relevant interests (as so defined) in those Securities.

7.9 Security Agreements

7.9.1 If an Offering Document or Profile states, pursuant to Rule 7.7 or Rule 7.8, that restrictions are to be imposed upon disposal of the effective ownership or control of any Securities then:

(a) the Issuer shall enter into an agreement (a "Security Agreement") with the persons to whom those Securities are to be issued, and if those persons are not the beneficial owners of those Securities, those beneficial owners, and with such other persons (if any) as NZX may consider necessary in order to ensure that the restrictions on disposal of effective ownership or control of those Securities can be effectively enforced; and

(b) that agreement shall be in such form as NZX may require, and shall prohibit the parties to it from taking steps which would cause the effective ownership or control of those Securities to be disposed of otherwise than in accordance with the restrictions specified in the Offering Document or Profile; and

(c) where that agreement provides a discretion for lifting the imposed restrictions prior to the expiry of an agreed restriction period, the agreement shall stipulate that the exercise of this discretion requires the consent of non-interested Directors of the Issuer in addition to any other requirements. For this purpose, the term "interested" bears the meaning assigned to that term in section 139 of the Companies Act 1993, on the basis that if an Issuer is not a company registered under that Act, the reference to the "company" in that Section shall be read as a reference to the Issuer.

7.9.2 The Issuer shall not agree to variation or amendment of a Security Agreement without the prior approval of NZX and the Issuer shall advise NZX immediately if the Issuer becomes aware of a breach or likely breach of a Security Agreement, and shall in consultation with NZX take such steps as NZX may require to enforce that Security Agreement or prevent or remedy a breach of it.

7.10 Rights Issues and Share Purchase Plan Additional Requirements

7.10.1 Letters of entitlement to Rights (whether or not Renounceable) are to be sent to holders of the Rights within five Business Days of the Record Date for the determination of the entitlement and by means that will give the holders reasonable time to deal with their Rights, whether the holders' addresses are in New Zealand or elsewhere.

7.10.2 Without limiting Rule 7.10.1, the closing date and time for applications under Rights issues (whether or not renounceable) shall not be earlier than the 12th Business Day after the day of mailing of the last of the letters of entitlement.

7.10.3 The closing date for receipt of renunciations of a Renounceable Rights issue shall be the same date as the closing date for receipt of applications.

7.10.4 Entitlements to Rights may be scaled up to a minimum number not greater than a Minimum Holding, and shall be altered to disregard fractions. The announcement of the Rights issue and any Offering Document shall state the terms on these matters.

7.10.5 Issuers shall use a standard form of renunciation and acceptance previously approved by NZX which shall be distributed with, or form part of, the letter of entitlement. A non-standard form may be used only if:

(a) the non-standard form has been approved by NZX; and

(b) the Issuer agrees to accept the standard "brokers acceptance" form in an emergency; and

(c) an adequate supply of the non-standard form is provided by the Issuer for Trading Participants at least three Business Days before the day appointed for the commencement of trading in the Rights.

7.10.6 The terms of a Renounceable Rights Issue shall provide that if the Issuer receives, on or before the closing date for renunciations, both a renunciation and an acceptance in respect of the same Right(s), the renunciation shall be given effect in priority to the acceptance.

7.10.7 An Issuer may apply to NZX for Quotation of Rights under a Rights issue of Securities. Appendix 7 shall be completed and supplied to NZX with the application required by Rule 5.2.2. If such Quotation is granted:

(a) an Appendix 7 must be delivered in accordance with Rule 10.2.2 for public release no later than 5 Business Days before the Ex Date for the Rights Issue; and

(b) the Quotation of Rights will commence on the Ex Date for that Rights issue or such other date approved by NZX; and

(c) the Head Security under the Rights issue will be quoted ex rights on the Ex Date for that Rights issue; and

(d) Quotation of Rights for a Renounceable Rights issue will cease at the close of trading on the day four Business Days before the closing date for receipt of acceptances and renunciations.

7.10.8 Where a Rights issue is to be made but Quotation is not sought the Issuer shall give to NZX forthwith after the decision has been made and at least 5 Business Days before the Ex Date to determine entitlements, on the form in Appendix 7, full details of the issue, including the nature, entitlement and timing of the issue of Rights and conversion, pricing, amounts payable and ranking of Securities for future benefits.

7.10.9 Where Equity Securities are to be issued under a Share Purchase Plan:

(a) either:

(i) the Record Date for the Share Purchase Plan must fall on a date prior to the announcement made to the market by the Issuer about that plan; and

(ii) the Issuer shall give to NZX full details of the issue for public release, including the nature, entitlement and timing of the issue, pricing and amounts payable, one Business Day after the Record Date in accordance with Rule 10.2.2; or

(b) the Issuer shall give notice in the manner as required by Rule 7.10.7(a).

7.11 Allotment

7.11.1 An Issuer making an issue of Securities Quoted or to be Quoted (other than Equity Securities issued under Rule 7.3.10) shall

proceed to allotment within five Business Days after the latest date on which applications for Securities close.

7.11.2 An Issuer making an issue of Equity Securities in accordance with Rule 7.3.10(e) must allot those Equity Securities on the same day that dividends are paid to Security holders who do not participate in the issuance.

7.11.3 Where the issue price of an issue may be paid by instalments, the Issuer shall acknowledge payments made in advance of due date on the advice of allotment.

7.11.4 Issuers shall ensure that commission statements rendered to Primary Market Participants contain sufficient detail to allow the Primary Market Participants to check allotments to clients.

7.11.5 An Issuer making an issue shall ensure that on allotment a CSN is recorded for each person to whom the Securities are issued.

7.12 Announcements

7.12.1 If an Issuer issues, acquires or redeems Quoted Securities, or an Issuer with Equity Securities Quoted issues, acquires or redeems Equity Securities or Securities Convertible into Equity Securities, then the Issuer shall give to NZX for release to the market details of the issue, acquisition or redemption, including:

(a) Class of Security and ISIN; and

(b) the number issued, acquired or redeemed; and

(c) the nominal value (if any) and issue price, acquisition price or redemption price; and

(d) whether payment was in cash; and

(e) any amount paid up (if not in full); and

(f) the principal terms of the Securities (other than for Quoted Securities), for example, the exercise price and exercise date in respect of an Option, or the conversion price and conversion date in respect of Convertible Securities or the ranking of the Securities in relation to other Classes of Securities; and

(g) the percentage of the total Class of Securities issued, acquired or redeemed; and

(h) the reason for the issue, acquisition or redemption; and

(i) the specific authority for the issue, acquisition or

redemption (if any); and

(j) any terms or details of the issue, acquisition or redemption (such as an escrow provision); and

(k) the total number of Securities of the Class in existence after the issue, acquisition or redemption; and

(l) in the case of an acquisition of shares by an Issuer which is a company registered under the Companies Act 1993, whether those shares are to be held as Treasury Stock; and

(m) the dates of issue, acquisition or redemption.

Notices required by this Rule must be given to NZX for public release forthwith after the issue, acquisition or redemption, and in respect of an acquisition effected by an Issuer through NZX's order matching market or through the order matching market of a Recognised Stock Exchange, no later than the end of the Business Day on which the acquisition took place. For the purposes of Rule 7.12.1 the sale or transfer of Treasury Stock by an Issuer shall be deemed to be an issue of Securities.

Rule 7.12.1 requires an Issuer to notify NZX in respect of transfers of Treasury Stock. Note that the Rule does not require notification of transfer by a trustee of an employee share scheme of unallocated existing securities to participants in the scheme.

7.12.2 Where any benefit is to be paid or distributed on Quoted Securities (including dividends, interest or bonus issues) or any Conversion of Securities or call on Securities is to take place, the Issuer shall give to NZX, forthwith after any Director's recommendation and at least 10 Business Days before the Record Date to determine entitlements or obligations, full details of the benefit, Conversion or call, including the information in the table below. That information shall be supplied in the form set out in Appendix 7.

Event	Information Required
Dividend	- Security description - ISIN - Total amount of dividend - Cents per share - Imputation tax credits per share (where applicable to six decimal places) - Withholding tax cents per share (where applicable to six decimal places) - Source of dividend - Payable date - Record Date - Strike price for any issue in lieu of

	dividend - Excluded income per share (PIE Issuers only, where applicable to six decimal places) - Foreign dividend payment credits per share (where applicable to six decimal places)
Interest	Details no less than the equivalent required above for a dividend.
Bonus Issue	Full details of the issue including timing, entitlement and tax information.
Conversions	Full details of the nature and timing of the Conversion including pricing, entitlement and conversion ratio information.
Calls	Full details of the call including the Securities affected, and payment details.

7.12.3 Where the date of a call on Quoted Securities has not been stated in an Offering Document or Profile, the Issuer shall notify NZX as soon as a decision has been taken to make a call.

7.12.4 No notification is required of routine payment of interest on non-Convertible Debt Securities.

7.12.5 If the Directors recommend or pay dividends other than in accordance with the policy stated in any Offering Document or Profile, or any previous public forecast made for the relevant period, they shall fully explain in the notice the reasons for any difference.

7.12.6 Where an Issuer will not pay on the due date the interest on any Convertible or non-Convertible Debt Securities, the Issuer shall notify NZX thereof immediately following the making of the decision.

7.12.7 A supplementary dividend paid in terms of the Income Tax Act 2007 shall be deemed not to be a dividend for the purposes of Rule 7.12.2. An Issuer which pays a supplementary dividend shall notify NZX not less than 10 Business Days before the supplementary dividend is paid of:

(a) the amount of the proposed supplementary dividend and the amount (in cents) per Security; and

(b) the date upon which it will be paid.

7.12.8 Where Securities are Convertible at the option of the holder before final maturity the Issuer shall give notice to NZX, and all holders of those Securities, of the option to Convert. That notice:

(a) shall be given:

(i) if the Securities are Convertible on a fixed date or dates, at least six weeks before each such date; or

(ii) if the Securities are Convertible by reason of the occurrence of some event, as soon as practicable after the occurrence of that event, or before the occurrence of that event if it becomes apparent that that event will occur; and

(b) need not be given if the Securities are Convertible at the option of the holder at any time; and

(c) shall disclose any option for Conversion which may be exercised at a later date; and

(d) shall contain a statement to the effect that if a holder of Securities is in any doubt as to whether Conversion is desirable, that holder should seek advice from an Advisor or other financial adviser.

7.12.9 Immediately following each Conversion of Securities (including Options), the Issuer shall notify NZX of:

(a) the number of Securities Converted and the number and Class of Securities into which they have been Converted; and

(b) details of any interest or dividend conditions attaching to the Securities Converted, and allotted upon Conversion; and

(c) how many Securities of the same Class remain to be Converted.

7.13 Early and Late Subscription Closure

7.13.1 Where an issue is closed before the stated closing date, the Issuer shall notify NZX thereof forthwith after the closure.

Where an issue is filled (or full subscription is assured) before the stated closing date, NZX recommends that the issue be closed immediately.

7.13.2 An Issuer shall not extend the closing date for applications to subscribe for new Securities unless, at least five Business Days prior to the original closing date, the Issuer has notified NZX of the extension, and of the new closing date. An Issuer shall not, without the prior consent of NZX, extend a closing date more than

once.

7.14 Notification of Level of Subscription

7.14.1 Where an offer of Securities has been underwritten, the Issuer shall notify NZX immediately the under subscription is ascertained, and in any event not later than five Business Days after the closing date of the offer, whether any of the Securities have been or are to be taken by any underwriter or any sub-underwriter in any capacity and if so, how many were or are to be taken up in that way.

7.14.2 Where an offer of Securities has not been underwritten, the Issuer shall notify NZX of any under subscription immediately the under subscription is ascertained, and in any event not later than five Business Days after the closing date of the offer. In the case of a Renounceable issue, NZX must be notified of any under subscription of an issue which is not underwritten within five Business Days after the closing date for applications and renunciations.

7.14.3 If an offer of Securities is oversubscribed, the Issuer shall make no announcement of that oversubscription unless that announcement specifies the precise percentage by which the offer has been oversubscribed.

7.15 Primary Market Participants

7.15.1 No Issuer shall state a Primary Market Participant's name in any Offering Document, Profile or Advertisement relating to any Securities unless:

(a) the Primary Market Participant has consented thereto; and

(b) if those Securities are Quoted or to be Quoted, the applicable requirements of the NZX Participant Rules have been complied with by the Primary Market Participant.

7.15.2 No Issuer shall publish any Advertisement referring to a Primary Market Participant or to NZX (other than for a reference complying with Rule 7.1.7) without the consent of the Primary Market Participant or NZX as the case may be, or before compliance by an Organising Participant with Rule 7.15.1 in respect of the issue or sale. No Advertisement shall be published which refers to NZX or to Primary Market Participants generally (as opposed to a specific Primary Market Participant) without previous approval of its form by NZX.

7.15.3 Every person seeking Listing, or having Listing, shall fully inform the Organising Participant in respect of an issue or sale, of all matters necessary to enable that Organising Participant to be

satisfied that the Rules are complied with in respect of that issue or sale. If at any time prior to Quotation the Organising Participant considers that any provision of the Rules in relation to that issue or sale has not been complied with, the Organising Participant may request that the issue or sale not proceed and notify NZX accordingly, and NZX shall thereupon delay any Quotation of the relevant Securities until a Primary Market Participant accepting responsibility as Organising Participant requests that it proceed.

The Organising Participant is primarily responsible for lodging with NZX all the documents required to support the application. Notwithstanding that the Directors are responsible for the accuracy of the information provided to NZX and the market in the course of Listing, NZX attaches particular importance to the Organising Participant's role in preparing the Issuer for Listing. That role involves satisfying themselves, on the basis of all available information, that the Issuer is suitable to be Listed. Organising Participants should pay particular attention to the composition of the board of Directors of the applicant and to whether the necessary range of skills and experience is available. Possible minorities should be represented through the appointment of non-executive independent Directors.

In particular, therefore, Organising Participants should satisfy themselves that the Directors:

(a) can be expected to prepare and publish all information necessary to create and maintain an informed market in the Issuer's securities; and

(b) appreciate the nature of the responsibilities they will be undertaking as directors of a Listed Issuer; and

(c) can be expected to honour their obligations under the Rules as well as generally to holders of Securities.

Main Board/Debt Market Listing Rules

Section 8: Voting rights and Rights of Equity Securities

8.1.1 Subject to Rule 8.1.4, Securities of an Issuer may carry different numbers of Votes.

Securities which carry different numbers of Votes per Security, will constitute different Classes, notwithstanding that their other rights and privileges may be identical.

8.1.2 Subject to Rule 8.1.4, the Constitution of an Issuer may contain a provision allowing Votes attaching to a Class of Securities to vary from time to time by reference to the economic value of a part or division of the Issuer's operations (which economic value may be ascertained by reference to the market price of Securities linked to that part or division).

8.1.3 If:

(a) an Issuer proposes to issue Equity Securities carrying Votes, or Securities which are Convertible into Equity Securities carrying Votes, under Rule 7.3.4(c), Rule 7.3.5 or Rule 7.3.6 (the "Affected Securities"); and

(b) the issue price of an Affected Security is less than 85% of the Average Market Price, then before issuing Affected Securities all Directors who voted in favour of the resolution to issue the Affected Securities, must sign a certificate that the consideration for the Affected Securities is fair and reasonable to the Issuer and to shareholders who are not receiving, or associated with those receiving, Affected Securities under the Issue.

Provided that:

(c) for the purposes of this Rule 8.1.3 "Average Market Price" means the volume weighted average market price of the Issuer's existing Quoted Equity Securities over the 5 Business Days before the earlier of the day the issue is made, or the proposal is announced to the market; and

(d) if the Issuer has more than one Class of Equity Securities Quoted, the existing Quoted Equity Securities in Rule 8.1.3(b) and Rule 8.1.3(c) shall refer to the Class having the most similar characteristics (other than Votes) to the Affected Securities or, in the case of Convertible Securities, the Securities into which the Affected Securities

Convert; and

(e) in the case of Convertible Securities where the consideration payable on Conversion is fixed by reference to the market price of existing Securities, the consideration payable on Conversion must be at least 85% of the volume weighted average market price of the Securities into which the Affected Securities Convert over the 5 Business Days before the earlier of the day the issue is made on Conversion or the proposal to Convert is announced to the market.

Rule 8.1.3 allows an Issuer to issue Equity Securities carrying Votes, or Securities which are Convertible into Equity Securities carrying Votes but requires that the Directors of the Issuer who Voted in favour of the resolution to issue the Affected Securities must provide the requisite certification under Rule 8.1.3(b) if the issue price of the Affected Securities is less than 85% of the Issuer's Average Market Price.

8.1.4 Any provision of the nature referred to in Rule 8.1.1 or Rule 8.1.2, shall be subject to the approval of NZX. NZX may grant approval on such conditions as it thinks fit (including a condition for approval of resolutions of holders of any Class or group of Securities of the Issuer).

1. NZX will as a general rule require the issue of a Class of Securities carrying different Votes from an existing Class of Securities to be approved by separate resolutions of:

   (a) Members of the Public holding each Class of Equity Security of the Issuer; and

   (b) other holders of Equity Securities.

2. The attention of Issuers is drawn to the provisions of sections 116 and 117 of the Companies Act 1993, which must be complied with in addition to any conditions imposed by NZX.

8.1.5 Each Security which is not fully paid shall carry only a fraction of the Vote which would be exercisable if the Security were fully paid. The fraction must be equivalent to the proportion which the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited and amounts paid in advance of a call).

1. Bonus shares credited as fully paid carry a full Vote because zero cents per share is paid and the total paid and payable is zero cents.

2. Example:

   A company issues shares at an issue price of

20 cents each, paid to 1 cent and with further 18 cents credited, leaving 1 cent to pay. The voting entitlement of the share is one half of a Vote because the 18 cents that is credited is ignored when calculating amounts paid and payable for this purpose. If the amount actually paid is 19 cents, the voting entitlement is 95% of a Vote. If 10 cents was paid and 10 cents to pay, the voting entitlement would be one half even if the 10 cents to be paid was paid in advance of the call.

8.1.6 An Option must not confer the right to participate in a Rights issue unless the Option:

(a) is exercised before the Record Date for the Rights issue; or

(b) was issued under a pro rata offer made pursuant to Rule 7.3.4 to the holders of Quoted Equity Securities; or

(c) was issued with the approval of holders of Quoted Equity Securities, and the Option holder can participate in a new issue to the holders of the underlying Securities in accordance with the terms of such an Option:

Provided that nothing in this Rule 8.1.6 shall apply to any Option which was issued prior to the coming into force of this Rule or Listing of an Issuer.

8.1.7 An Option must not confer the right to a change in the exercise price or number of underlying Securities, except if that Option:

(a) was issued with the approval of holders of Quoted Equity Securities, then the exercise price or number of underlying Securities may change in accordance with the formula or provision contained in the terms of the Option if there is a Rights issue to the holders of the underlying Securities; or

(b) was not issued with the approval of holders of Quoted Securities and there is a Rights issue to the holders of the underlying Securities, then the exercise price of that Option may be reduced according to the formula set out as follows:

O1 = the new exercise price of the Option.
O = the Old exercise price of the Option.
E = the number of underlying Securities into which one Option is exercisable.

[Note: E is generally one unless the number has changed because of a bonus issue or capital change.]

P = the average market price per share (weighted by reference to volume) of underlying Securities during the 5 Business Days ending on the day before the Ex Date for the Rights.

S = the subscription price for a Security under the Rights issue.

D = the dividend (in the case of a trust, distribution) due but not yet paid on the existing underlying Securities (except those to be issued under the Rights Issue).

N = the number of Securities with Rights or entitlements that must be held to receive a Right to one new Security.

Provided that nothing in this Rule shall apply to any Option which was issued prior to the coming into force of this Rule or Listing of an Issuer.

Example:

The capital of a company comprises ordinary shares at an issue price of 20 cents each and Options over unissued ordinary shares exercisable at $1.00 each. The company announces a 4:7 Rights issue. There is no dividend payable. The issue price for the shares under the Rights issue is $2.00.

The average price that ordinary shares trade at over the 5 Business days ending on the day before the Ex Date for the Rights is $3.00 after the announcement. To receive one Right a shareholder must hold 1.75 ordinary shares (7 ÷ 4 = 1.75, which is N). The amount by which the exercise price of an Option is to be reduced is calculated as follows:

$$0^1 = \$1 - \frac{1[\$3.00 - (\$2.00+\$)]}{1.75+1}$$

$$0^1 = \$1 - \frac{1}{2.75}$$

$$0^1 = \$1 - \underline{\$0.3636}$$

$$0^1 = \$0.636364$$

The new exercise price of the option is 63.6364 cents and the Option holder has gained the benefit of any bonus element in the rights issue. This benefit is the same as that conferred on shareholders. There is no change in the number of shares to which the Option holder is entitled. At the time when the Option is exercised, it may be necessary to round up or round down any fraction of a cent remaining after aggregating the exercise price of each of the Options exercised by the holder.

8.1.8 If there is a bonus issue to the holders of the underlying Securities the number of Securities over which an Option is exercisable may be increased (or additional Securities may be reserved for issue on exercise of an Option) by the number of Securities which the holder of the Option would have received if that Option had been exercised before the Record Date for the issue.

Example:

The capital of a company comprises ordinary shares of $1.00 each and Options over unissued ordinary shares exercisable at $1.00 each. The entity makes a 1:1 bonus issue. An Option holder with 1000 Options with a total exercise amount payable of $1000 will then have an entitlement to 2000 Securities for a total exercise amount payable of $1000. Each Option is exercisable for $1.00 and entitles the holder to 2 shares. The exercise amount payable per Option stays the same (i.e. $1.00). If the entity subsequently has a further 1:1 bonus issue, the Option holder would become entitled to 4000 Securities for a total exercise amount payable of $1000. Each Option is exercisable for $1.00 and entitles the holder to 4 shares. The exercise amount payable per Option stays the same (i.e., $1.00).

8.1.9 If there is a consolidation or subdivision or similar proportionate reconstruction of the underlying Securities, the number of Securities over which an Option is exercisable may be consolidated or subdivided in the same ratio and the exercise price amended in inverse proportion to that ratio.

8.2 Lien and Forfeiture

8.2.1 An Issuer's lien on Equity Securities and on dividends or other distributions from time to time declared in respect of such Securities shall be restricted to one in respect of:

(a) unpaid calls, instalments, premiums or other amounts, and any interest payable on such amounts, relating to the specific Securities; and

(b) any amount which the Issuer may be called upon to pay under any legislation in respect of the specific Securities, whether or not the due date for payment thereof has passed.

8.2.2 If Equity Securities are forfeited and sold or are sold to enforce a lien, any residue after the satisfaction of unpaid calls, instalments, premiums or other amounts and interest thereon, and expenses, shall be paid to the previous owner, or to the executors, administrators or assigns of the previous owner.

8.2.3 Equity Securities shall not be liable to forfeiture for the failure of persons entitled thereto (by transmission or otherwise) to submit evidence of title within a specified time.

8.3 Modifications of Rights of Security Holders

8.3.1 Every Issuer shall comply with the provisions of sections 116 and 117 of the Companies Act 1993, whether or not the Issuer is a company registered under that Act. For the purposes of this Rule 8.3.1, those sections shall be deemed to be modified so that:

(a) references in those sections to "shares" shall (subject to Rule 8.3.2) be deemed to include references to all Equity Securities of that Issuer, and references to "shareholders" shall be read accordingly; and

(b) in respect of Issuers which are not companies registered under the Companies Act 1993, references to the "company" shall be deemed to be references to the Issuer, and references to pre-emptive rights under section 45 of that Act shall be deemed to be deleted from those sections; and

(c) in respect of Equity Securities which are not shares of a company registered under the Companies Act 1993:

(i) references to a special resolution shall be deemed to be references to a resolution approved by a majority of 75% of votes of the holders of those Securities entitled to vote and voting; and

(ii) references to the constitution shall be deemed to be references to the document which governs the rights of those Equity Securities.

8.3.2 An Issuer shall be required by Rule 8.3.1 to comply with sections 116 and 117 of the Companies Act 1993 but shall not be required by the modifications deemed to be made thereto by Rule 8.3.1 to comply with those sections in respect of actions that affect the rights attached to:

(a) Equity Securities which are not Quoted; or

(b) Equity Securities which are not shares of a company if:

(i) those Equity Securities were issued before 30 April 1995; or

(ii) those Equity Securities were issued on terms which expressly permitted the action in question to

be taken without the prior approval of holders of those Equity Securities, and those terms were clearly disclosed in the Offering Document (if any) pursuant to which those Equity Securities were offered.

8.3.3 Rule 8.3.1 shall not have the effect of deeming section 118 of the Companies Act 1993 to apply to any Securities other than shares of a company registered under the Companies Act 1993.

8.4 Cancellation of Unpaid Amounts

8.4.1 No obligation to pay any amount which is unpaid on any Equity Security shall be cancelled, reduced or deferred without the authority of an Ordinary Resolution of the Issuer.

1. Rule 9.3.1, deals with the persons entitled to Vote on a resolution under this Rule.
2. Any agreement involving a transaction referred to in this Rule must comply with Rule 1.16.

8.5 Sale of Minimum Holdings

8.5.1 The Constitution of an Issuer may prescribe procedures entitling the Issuer, after giving not less than three months' prior notice to holders of Securities of less than a Minimum Holding, to sell such Securities (through NZX or in some other manner approved by NZX) and to account to the Holders for the proceeds of sale after deduction of reasonable sale expenses.

Main Board/Debt Market Listing Rules

Section 9: Transactions with Related Parties and Major Transactions

9.1 Disposal or Acquisition of Assets

9.1.1 An Issuer shall not (subject to Rule 9.1.3) enter into any transaction or series of linked or related transactions to acquire, sell, lease, exchange, or otherwise dispose of (otherwise than by way of charge) assets of the Issuer or assets to be held by the Issuer:

(a) which would change the essential nature of the business of the Issuer; or

(b) in respect of which the gross value is in excess of 50% of the Average Market Capitalisation of the Issuer;

except with the prior approval of an Ordinary Resolution of the Issuer or a special resolution if that Issuer must obtain approval of the transaction or transactions by a special resolution under section 129 of the Companies Act 1993.

9.1.2 The notice of meeting containing the resolution to approve any transaction referred to in Rule 9.1.1 shall contain or be accompanied by such information, reports, valuations, and other material as are necessary to enable the holders of Securities to appraise the implications of the transactions.

9.1.3 Rule 9.1.1 shall not apply to:

(a) a takeover offer made by an Issuer:

(i) in respect of a Code Company in accordance with any takeovers code approved under the Takeovers Act 1993; or

(ii) in respect of an Issuer that is not a Code Company but to whom Section 4 applies, in accordance with the Constitution or Trust Deed of that other Issuer which complies with Section 4; or

(iii) in relation to any other person, in accordance with any takeover law regime of a jurisdiction other than New Zealand which is applicable to that person and provides for prior notice, publicity and disclosure which in the opinion of NZX is at least as useful to the recipients of the offer as the

requirements of one or more of the provisions referred to in (i) or (ii); or

(b) any transaction entered into by an Issuer with a Bank as principal, on arms length terms and in the ordinary course of its banking business; or

(c) an issue by an Issuer of Securities for cash which does not change the essential nature of the business of the Issuer.

1. The attention of Issuers is drawn to:

   (a) the provisions of section 129 of the Companies Act 1993, requiring the approval of a special resolution of shareholders to "major transactions" as defined in that section; and

   (b) Rule 1.16, dealing with conditions to be included in contracts relating to transactions subject to the approval of a resolution under Rule 9.1.

2. The provisions of Rule 1.6.6 apply to Rule 9.1 to deem references to the Issuer to extend to the group comprised of the Issuer and its Subsidiaries where the context permits.

3. NZX may waive application of Rule 9.1 where, due to deterioration in the financial position of the Issuer, the Average Market Capitalisation of the Issuer has reduced to such an extent that the Rule imposes an unreasonable restriction on the ability of the Issuer to realise assets.

4. The notice of meeting must be approved by NZX pursuant to Rule 6.1.

5. Rule 9.1.3 stipulates that in the transaction in question the Bank must be acting as principal. The intention of this is to exclude a transaction such as one in which a Bank acts as agent of a third party.

6. Rule 9.1.3(c) is intended to apply to funding transactions that do not involve a change in the essential nature of the Issuer's business. All the other Rules, for example Rule 7.3 and Rule 7.5, continue to apply.

9.2 Transactions with Related Parties

9.2.1 An Issuer shall not enter into a Material Transaction if a Related Party is, or is likely to become:

(a) a direct or indirect party to the Material Transaction, or to at least one of a related series of transactions of which the Material Transaction forms part; or

(b) in the case of a guarantee or other transaction of the nature referred to in paragraph (d) of the definition of Material Transaction, a direct or indirect beneficiary of such guarantee or other transaction,

unless that Material Transaction is approved by an Ordinary Resolution of the Issuer.

1. NZX may waive the requirement to obtain the approval of a resolution for the purposes of Rule 9.2.1 if it is satisfied that the personal connections with, or involvement or personal interest of a Related Party are immaterial or plainly unlikely to have influenced the promotion of the proposal to enter into the transaction or its terms and conditions.
2. NZX may waive the requirement to obtain the approval of a resolution for the purposes of Rule 9.2.1 in respect of the annual or other renewal or re-negotiation of transactions which have been approved by a resolution under Rule 9.2.1, if the Issuer produces a report from a suitable independent person as to the fairness of the terms of the renewal or re-negotiation.
3. Rule 9.3.1 deals with the persons entitled to Vote on a resolution under this Rule.
4. Any agreement involving a transaction referred to in this Rule must comply with Rule 1.16.
5. The relevant time for an Issuer to determine whether or not a Related Party is or is likely to become a direct or indirect party to a Material Transaction, or at least one of a related series of transactions of which the Material Transaction from part is at the time of entry into that transaction.

9.2.2 For the purposes of Rule 9.2.1, “Material Transaction” means a transaction or a related series of transactions whereby an Issuer:

(a) purchases or otherwise acquires, gains, leases (as lessor or lessee) or sells or otherwise disposes of, assets having an Aggregate Net Value in excess of 10% of the Average Market Capitalisation of the Issuer; or

(b) issues its own Securities or acquires its own Equity Securities having a market value in excess of 10% of the Average Market Capitalisation of that Issuer, save in the case of an issue pursuant to Rule 7.3.5 where only the market value of those Securities being issued to the Related Party or to any Employees of the Issuer are to be taken into account; or

(c) borrows, lends, pays, or receives, money, or incurs an

obligation, of an amount in excess of 10% of the Average Market Capitalisation of the Issuer; or

(d) enters into any guarantee, indemnity, underwriting, or similar obligation, or gives any security, for or of obligations which could expose the Issuer to liability in excess of 10% of the Average Market Capitalisation of the Issuer; or

(e) provides or obtains any services (including without limitation obtaining underwriting of Securities or services as an Employee) in respect of which the actual gross cost to the Issuer in any financial year (ignoring any returns or benefits in connection with such services) is likely to exceed an amount equal to 1% of the Average Market Capitalisation of the Issuer; or

(f) amalgamates, except for amalgamations of a wholly owned Subsidiary with another wholly owned Subsidiary or with the Issuer:

(g) For the purposes of Rule 9.2.2(a), "Aggregate Net Value" means the net value of those assets calculated as the greater of the net tangible asset backing value (from the most recently published financial statements) or market value.

1. Transactions in Securities are to be treated as transactions in the assets the value of which underlies or is reflected in the securities.

2. In assessing whether payments under an employment agreement with a Related Party are likely to exceed the thresholds in Rule 9.2.2(e), the Issuer must have regard to the total maximum amount that could become payable in any one financial year.

3. Issuer's attention is drawn to Rule 10.1.3 and the requirement for an announcement concerning transactions, or series of transactions, with Related Parties which are for a value in excess of 5%, but less than 10%, of an Issuers' Average Market Capitalisation.

9.2.3 For the purposes of Rule 9.2.1, "Related Party" means a person who is at the time of a Material Transaction, or was at any time within six months before a Material Transaction:

(a) a Director or executive officer of the Issuer or any of its Subsidiaries; or

(b) the holder of a Relevant Interest in 10% or more of a Class

of Equity Securities of the Issuer carrying Votes; or

(c) an Associated Person of the Issuer or any of the persons referred to in (a) or (b), other than a person who becomes an Associated Person as a consequence of the Material Transaction itself (or an intention or proposal to enter into the Material Transaction itself); or

(d) a person in respect of whom there are arrangements other than the Material Transaction itself, intended to result in that person becoming a person described in (a), (b), or (c), or of whom the attainment of such a status may reasonably be expected, other than as a consequence of the Material Transaction itself;

but a person is not a Related Party of an Issuer if:

(e) the only reason why that person would otherwise be a Related Party of the Issuer is that a Director or executive officer of the Issuer is also a Director of that person, so long as:

(i) not more than one third of the Directors of the Issuer are also Directors of that person; and

(ii) no Director or executive officer of the Issuer has a material direct or indirect economic interest in that person, other than by reason of receipt of reasonable Directors' fees or executive remuneration; or

(f) that person is a Subsidiary of, incorporated joint venture of, or unincorporated joint venture participant with, the Issuer and:

(i) no Related Party of the Issuer has or intends to obtain a material direct or indirect economic interest in that Subsidiary, incorporated joint venture, or unincorporated joint venture participant, other than by reason of receipt of reasonable Director's fees or executive remuneration; and

(ii) the Issuer is entitled to participate, directly or indirectly, in at least one half of the income or profits, and the assets, of that Subsidiary, incorporated joint venture, or unincorporated joint venture participant.

9.2.4 Rule 9.2.1 shall not apply to:

(a) any transaction entered into by an Issuer with a Bank which is a Related Party of that Issuer as principal, on arm's length terms and in the normal course of its banking business; or

(b) the issue, acquisition or redemption by an Issuer of Securities of that Issuer, or the giving by an Issuer of financial assistance for the purposes of, or in connection with, the purchase of Securities, or the payment of a distribution to holders of Securities, if all holders of Securities of the Class in question are treated in the same way, so that each such holder has an opportunity to receive the same benefit in respect of each Security held by that holder except to the extent that an issue excludes holders outside New Zealand in accordance with Rule 7.3.4(h). For the purposes of this paragraph, the transfer, by an Issuer which is a company registered under the Companies Act 1993, of shares held by that company in itself, shall be deemed to constitute an issue of Securities; or

(c) the issue of Equity Securities by an Issuer under Rule 7.3.4(c) or Rule 7.3.10(e); or

(d) an employment contract or contract for personal services with an Issuer which is a Material Transaction under Rule 9.2.2(e), where:

    (i) the terms of the contract are set on an arm's length, commercial basis and have been approved by the Independent Directors of the Issuer; and

    (ii) the Independent Directors approving the contract sign and deliver to NZX a certificate stating Rule 9.2.4(d)(i) has been complied with; and

    (iii) material particulars of the contract (including the Issuer's use of this exception) are disclosed in the next annual report of the Issuer; or

(e) any transaction indemnifying any Director or Employee of the Issuer or any Related Company which would be a Material Transaction under Rule 9.2.2(d), where such Director or Employee, at the time the indemnity is to be granted, has not been involved in any proceedings, threatened proceedings or circumstances in any capacity which are likely to result in a claim by the Director or Employee under the proposed indemnity; or

(f) arrangements, amalgamations or compromises pursuant

to Part 15 of the Companies Act 1993; or

(g) a Material Transaction with a total value that (or, in the case of a Material Transaction referred to in Rule 9.2.2(e), the actual gross cost to the Issuer in any financial year that), does not exceed $250,000; or

(h) a Material Transaction that is an employment agreement with a natural person who is not a director within the meaning of section 126 of the Companies Act 1993 of the Issuer or any of its Subsidiaries.

1. Where the Independent Directors of an Issuer are satisfied that the criteria in Rule 9.2.4(a) are satisfied no application need be made by that Issuer to NZX for approval of that transaction and no shareholder ratification of that transaction is required. The Rule stipulates that in the transaction in question the Bank must be acting as principal. The intention of this is to exclude a transaction such as one in which a Bank acts as agent of a third party.

2. Rule 9.2.4(d) allows the Independent Directors to approve an employment contract or contract for personal services. The material particulars required to be disclosed in the annual report will include particulars entered in a company's interests register under section 161 of the Companies Act 1993.

9.2.5 The text of any resolution to be put to a meeting of an Issuer for the purposes of Rule 9.2.1 shall be set out in the notice of the relevant meeting. That notice shall:

(a) be approved by NZX in accordance with Rule 6.1; and

(b) be accompanied by an Appraisal Report; and

(c) contain such other material as is necessary to enable the holders of Securities of the Issuer to decide whether the transaction price and terms are fair.

9.3 Voting Restrictions

9.3.1 Notwithstanding anything to the contrary in the Rules, on any resolution of the nature listed in column 1 of the table below, no Vote in favour of any such resolution shall be cast on any Securities held by a person of the nature listed in respect of that resolution in column 2 of the table below, or by any Associated Person of such a person.

Column 1 RESOLUTION	Column 2 DISQUALIFIED PERSON
Resolutions under Rules 3.5.1 and 3.5.2	The Director intended to receive a payment or benefit in respect of the matter subject of the resolution.
Resolution under Rule 7.3.1	Subject to Rule 9.3.2: (a) Any person to whom it is proposed to issue the new Securities referred to in the resolution; or (b) If the resolution does not specify the persons to whom it is proposed to issue Securities, any Director of the Issuer who is not excluded by the terms of the resolution from participation in the issue.
Resolution under Rule 7.3.1 to approve a Rights issue of Equity Securities which is not Renounceable	Any Director of the Issuer.
Resolution under Rule 7.3.5(c)	Any person who has been issued, or has acquired, Securities the subject of ratification by that resolution.
Resolution under Rule 7.5	Any person whose effective control of the Issuer would be materially increased.
Resolution under Rule 8.4	Any person who is intended to benefit from the reduction, deferral, or cancellation, unless the reduction, deferral, or cancellation benefits all holders of Equity Securities of the Issuer on the same basis.
Resolution under Rule 9.2.1	Any person referred to in Rule 9.2.3 who is a party or beneficiary (in terms of Rule 9.2.1(a) or Rule 9.2.1(b)) to or of the transactions the subject of the resolution.

9.3.2 On a resolution under Rule 7.3.1, a person to whom it is proposed to issue the new Securities referred to in that resolution is not disqualified from voting if the new Securities are to be offered on the same basis to all holders of Securities of the same Class as the Securities held by that person.

9.3.3 Rule 9.3.1 shall not prevent a person disqualified from Voting under that Rule, who has been appointed as a proxy or Voting representative by another person who is not disqualified from Voting under that Rule, from Voting in respect of the Securities held by that other person in accordance with the express instructions of that other person.

1. Rule 9.3.3 prohibits a disqualified person from exercising discretionary proxies. Disqualified persons are only able to exercise proxies where the Security holder has provided that disqualified person with an express instruction setting out how to exercise that Security holder's vote. "Express instructions" exclude instructions that give the proxy holder a discretion how to exercise that Security holder's vote as that proxy holder sees fit.

2. Examples of express instructions include:

   (a) an instruction to vote for or against a particular resolution; or

   (b) an instruction that the proxy holder should vote for or against a resolution in accordance with the Chairperson's vote on that resolution.

9.3.4 Each Issuer shall use reasonable endeavours to ascertain, no later than five Business Days before any meeting to consider a resolution referred to in Rule 9.3.1, the identity of holders of Securities who are disqualified from voting on that resolution pursuant to Rule 9.3.1, and on request shall supply a list of such holders to NZX and any holder of Equity Securities of the Issuer.

9.3.5 Without prejudice to any remedy (other than those which take legal effect against the Issuer concerned) which any holder of Securities may have against any disqualified person who casts a Vote at a meeting in breach of Rule 9.3.1, no resolution of, or proceeding at, that meeting shall be impugned on the basis of a breach of Rule 9.3.1. Any objection by a holder of Securities to the accuracy or completeness of any list provided pursuant to Rule 9.3.4 shall be disregarded by the Issuer and the chairman of the relevant meeting if it is notified to the Issuer later than one full Business Day before the time fixed for commencement of the meeting.

Main Board/Debt Market Listing Rules
Section 10: Disclosure of Information

10.1 Material Information

10.1.1 Without limiting any other Rule, every Issuer shall:

(a) once it becomes aware of any Material Information concerning it, immediately release that Material Information to NZX, provided that this Rule shall not apply when:

(i) a reasonable person would not expect the information to be disclosed; and

(ii) the information is confidential and its confidentiality is maintained; and

(iii) one or more of the following applies:

(A) the release of information would be a breach of law; or

(B) the information concerns an incomplete proposal or negotiation; or

(C) the information comprises matters of supposition or is insufficiently definite to warrant disclosure; or

(D) the information is generated for the internal management purposes of the Issuer; or

(E) the information is a trade secret.

In this Rule 10.1.1, an Issuer is aware of information if a Director or an executive officer of the Issuer (and in the case of a Managed Investment Scheme, a Director or executive officer of the Manager) has come into possession of the information in the course of the performance of his or her duties as a Director or executive officer.

(b) not disclose any Material Information to the public, other Recognised Stock Exchanges (except as provided for in Rule 10.2.3(c)(i)) or other parties except in circumstances where the proviso to Rule 10.1.1(a) applies:

(i) prior to disclosing that Material Information to NZX; and

(ii) prior to an acknowledgement from NZX of receipt of that Material Information.

(c) release Material Information to NZX to the extent necessary to prevent development or subsistence of a market for its Quoted Securities which is materially influenced by false or misleading information emanating from:

(i) the Issuer or any Associated Person of the Issuer; or

(ii) other persons in circumstances in each case which would give such information substantial credibility,

and which is of a reasonably specific nature whether or not Rule 10.1.1(a) applies.

1. The following information is likely to be Material Information under this Rule 10.1.1:

- a change in the Issuer's financial forecast or expectation.
- the appointment of a receiver, manager, liquidator in respect of any loan, trade credit, trade debt, borrowing or securities held by the Issuer or any of its Subsidiaries.
- a transaction for which the consideration payable or receivable is a significant proportion of the written down value of the entity's consolidated assets. Normally, an amount of 5% or more would be significant, but a smaller amount may be significant in a particular case.
- a change in the control of the Manager of a Managed Investment Scheme, or a change of trustee of a Listed trust.
- a proposed change in the general character or nature of a Listed trust.
- a recommendation or declaration of a dividend or distribution.
- a recommendation or decision that a dividend or distribution will not be declared.
- undersubscription or oversubscription to an issue.
- a copy of a document containing market sensitive information that the entity lodges with an overseas stock exchange or other regulator which is available to the public. The copy given to NZX must be in English.
- giving or receiving a notice of intention to make a takeover.

- any proposed change in the general nature of the business of an Issuer or its group.
- a disposal or acquisition (including entering into any agreement or option to do so) of Quoted Securities of another Issuer carrying 5% or more of the Votes attaching to any Class of Securities of that Issuer.
- the acquisition or disposition of Securities in the Issuer carrying 5% or more of the Votes attaching to any Class of Securities of that Issuer.
- acquisition or disposition, by whatever means of assets of any nature (including entering into any agreement or option to do so) where the gross value of those assets, or the consideration paid or received by the Issuer, represents more than 10% of the Average Market Capitalisation of the Issuer.

2. Where an Issuer discloses a transaction as Material Information, Rule 10.1.1 will generally require disclosure of all material details of the transaction, including:

   - a description of the assets or securities acquired or disposed of;
   - the amount, composition, and method of payment of the consideration;
   - where securities are acquired or disposed of, the percentage of the total issued Securities of each Class represented and the percentage of each Class of Security held following the acquisition or disposition; and
   - the nature of any material conditions which may result in the transaction not proceeding and the dates on which the transactions:

     (a) are to become unconditional; and/or

     (b) are to be settled by payment:

3. For the purpose of Rule 10.1.1(a)(i), a “reasonable person” would not expect the information to be disclosed if the release of the information would:

   (a) unreasonably prejudice the Issuer; or

   (b) provide no benefit to a person who commonly invests in securities.

4. It is a requirement of the exception to this Rule 10.1.1 that the information is confidential. In this context “confidential” has the sense “secret”.

5. Once the information is received by any person who is not bound by any corresponding obligation of confidentiality with which that person is likely to comply the exception no longer applies and the information must be disclosed to NZX. This is the case even if the Issuer has entered into confidentiality arrangements and/or the information has come from a source other than the Issuer.

6. NZX accepts that information provided by the Issuer to:

   (a) a professional advisor;

   (b) a party negotiating on the Issuer's behalf;

   (c) a third party negotiating with the Issuer; or

   (d) a regulatory authority,

   does not lose its confidentiality, provided that in each case the information was provided with an obligation to maintain its confidentiality and such information is used by the party to whom it was provided solely for the purpose for which it was provided.

7 NZX also accepts that information provided by the Issuer to a holding company for the purposes of enabling that holding company to comply with its financial reporting obligations does not lose its confidentiality, provided that the information is provided subject to an obligation to maintain its confidentiality and use the information solely for financial reporting purposes, and such information is used by the party to whom it was provided solely for the purpose for which it was provided and is kept confidential.

8. The duty to disclose to NZX is not intended to supersede any desirable communication directly with holders of Securities, whether by way of letter or otherwise. However Issuers must appreciate that disclosure to holders in bare compliance with any legal obligations is not sufficient.

9. The duty to correct false information in the market is limited so that antagonists cannot force information out of an Issuer simply by generating a false rumour. The market's interest in requiring correction of false rumours is intended to be limited to those which are of a reasonably specific nature and from a source which lends substantial credence to them.

10. In deciding whether or not to release information, Issuers should have regard to:

    (a) Rule 1.6.6, the effect of which is to aggregate a group of entities for disclosure purposes;

(b) section 178 of the Companies Act 1993, dealing with the rights of shareholders to require the provision of information by a company;

(c) Part 5, sub-part 2 of the FMC Act, dealing with insider conduct; and

(d) Part 2 of the FMC Act, and in particular the sections dealing with the supply of information that is or is likely to be misleading or deceptive.

An Issuer should also be guided by the principle that if in doubt it should disclose the information.

10.1.2 Without limiting any other Rule, every Issuer shall, where that information constitutes Material Information, disclose to NZX immediately upon entry into that arrangement, all arrangements (other than within the group comprised of the Issuer and its wholly owned Subsidiaries) that Members of the Public (in relation to Equity Securities of the Issuer) might reasonably consider confer terms materially more favourable to the other parties to that arrangement than would be conferred in an arm's length negotiation, including, without limitation:

(a) any arrangements by the Issuer with any Director or Associated Persons of a Director or with any Holder of Equity Securities of the Issuer who is not a Member of the Public; and

(b) entry into any agreement or arrangement which will require the approval of a resolution under Rule 9.2.1.

10.1.3 Without limiting any other Rule, every Issuer shall upon entering into a transaction, or a related series of transactions, with a Related Party, whereby the Issuer:

(a) purchases or otherwise acquires, gains, leases (as lessor or lessee) or sells or otherwise disposes of, assets having an Aggregate Net Value in excess of 5% of the Average Market Capitalisation of the Issuer; or

(b) issues its own Securities or acquires its own Equity Securities having a market value in excess of 5% of the Average Market Capitalisation of that Issuer, save in the case of an issue pursuant to Rule 7.3.5 where only the market value of those Securities being issued to the Related Party or to any Employees of the Issuer are to be taken into account; or

(c) borrows, lends, pays, or receives, money, or incurs an obligation, of an amount in excess of 5% of the Average

Market Capitalisation of the Issuer; or

(d) enters into any guarantee, indemnity, underwriting, or similar obligation, or gives any security, for or of obligations which could expose the Issuer to liability in excess of 5% of the Average Market Capitalisation of the Issuer,

must immediately disclose sufficient details of the transaction, or transactions, to reasonably inform the market of the nature and terms of the transaction, or transactions, via the market announcement platform, except that an Issuer will not be required to make such an announcement where approval is required under Rule 9.2.1.

For the purposes of Rule 10.1.3, the information required to be disclosed, includes the information outlined in the second footnote of Rule 10.1.1.

10.1.4 All information given to NZX by or on behalf of an Issuer, including papers or documents of any nature, shall become and remain the property of NZX, which may, in its absolute discretion copy any such papers or documents and (subject to Rule 10.2.4) disseminate such information to the public, news media or any other interested party as it thinks fit.

10.1.5 Every Issuer shall, so far as is reasonably possible without materially adversely affecting the business of the Issuer, avoid entering into any obligation to any person which would have the effect of prejudicing the Issuer's ability to comply freely with the provisions of Rule 10.1.1.

10.2 Form of Disclosure and Communication

10.2.1 All information provided to NZX by an Issuer under Rule 10.1 or Rule 10.6 shall:

(a) where that information is delivered using NZX's Market Announcement Platform, comply with the required forms or templates (with such alterations and completions as are satisfactory to NZX) relevant for that information as are available through NZX's Market Announcement Platform; or

(b) where that information is delivered in the manner specified in Rule 10.2.2(b), be in an electronic format or specification approved by NZX for that purpose; and

(c) where that information is delivered in either of the manners specified in Rule 10.2.2, be on letterhead of the Issuer, and shall be dated and attributed to an authorised officer of the

Issuer, whose name and position shall be set out; and

(d) be in a format which is convenient for NZX to process and relay by the same means to other subscribers of any information service offered by NZX.

10.2.2 All announcements for public release to the market by NZX shall either:

(a) be delivered to NZX using NZX's Market Announcement Platform made available by NZX for this purpose; or

(b) be addressed to Client Market Services, NZX Limited, and be sent by electronic mail to announce@nzx.com.

Without limiting any other Rule, NZX may require an Issuer to use such forms or templates (with such alterations and completions as are satisfactory to NZX) as may be required by NZX from time to time. NZX may charge an administrative fee as determined by NZX, for receipt and processing of announcements delivered in the manner specified in Rule 10.2.2(b).

10.2.3 All announcements for public release to the market by NZX shall be:

(a) sent to NZX on a Business Day during market trading hours or half-an-hour before or after market trading hours. Announcements received up to half an hour after market trading hours will be released to the market and media on the day of receipt. Announcements received after that time will be held over until the following Business Day and shall not be released by the Issuer to any other party, including the media, until half-an-hour before the market opens on the following Business Day; and

(b) in the case of long or complex documents or announcements, prefaced by a summary of salient points. The summary shall be in a form suitable for immediate transcription and dissemination by NZX without substantial editing, specifically drawing attention to the features by reason of which the information is required to be disclosed pursuant to the Rules; and

(c) released to NZX:

(i) in the case of an Issuer listed on a Recognised Stock Exchange, before or at the same time as it releases the announcement to the other exchanges on which it is listed, and in any event at least 10 minutes prior to its public release (other than to the extent a

Recognised Stock Exchange releases the information to the public); and

(ii) in the case of every other Issuer, 10 minutes prior to its public release.

1. Documents will not be accepted by NZX which are too indistinct to be readily copied or transmitted by facsimile in legible form.

2. Documents that will require to be accompanied by a summary before acceptance will include:

   - preliminary statements released in accordance with Rule 10.3: and
   - takeover documents generated in accordance with the requirements of the Takeovers Code: and
   - presentations containing Material Information.

3. An Issuer that is dual listed should release information to NZX before or at the same time as it releases information to the other exchanges on which it is listed.

10.2.4 An Issuer may choose to use an embargo when making announcements. If an Issuer chooses to use an embargo it shall comply with the following conditions:

(a) release the embargoed announcement to NZX at least 30 minutes prior to its release to any other party, including the media; and

(b) display the times and conditions of the embargo prominently on every page of each release.

NZX, in consultation with the Issuer, may choose to release any information prior to any embargo time if NZX considers that the market should immediately be so informed.

10.2.5 NZX may, following receipt of an announcement, in consultation with the Issuer, require any amendment, addition or alteration to the announcement, or require the Issuer, to disclose such further Material Information following release of the announcement as NZX determines.

10.2.6 Material not for public release (including draft documents lodged with NZX for approval) and private correspondence with NZX or NZX Regulation Personnel, shall be addressed accordingly and marked in a prominent position with the words “Not For Public Release”. Any material destined for NZX Regulation Personnel may be:

(a) sent by electronic mail to: regulation@nzx.com

(b) delivered to : NZX Limited's Registered Office

(c) posted to : PO Box 2959 (or DX SP3501)
Wellington
New Zealand 6140

NZX Limited's Registered Office is located at Level 1, NZX Centre, 11 Cable Street, Wellington.

10.2.7 Information marked "Not for Public Release" may, after reasonable prior notice to the Issuer, be released by NZX to the market if NZX forms the opinion that that information should have been released to the market by the Issuer in accordance with the Rules, and advises the Issuer to that effect.

10.3 Preliminary Announcements

10.3.1 Each Issuer shall make an announcement pursuant to Rule 10.3.2 through NZX for public release, in the manner prescribed by Rule 10.2 as soon as the Material Information is available, and in any event;

(a) before the release of each annual report, and not later than 60 days after the end of the financial year to which that report relates; and

(b) before the release of each half-year report and not later than 60 days after the end of the financial half-year to which that report relates.

10.3.2 Each preliminary announcement, whether for a full year or a half year, shall include the information and otherwise address the matters specified by the relevant section of Appendix 1.

10.4 Annual and Half-Year Reports

10.4.1 Subject to Rule 10.4.3 each Issuer shall within three months of the end of each Issuer's financial years:

(a) Deliver to NZX electronically, in the format specified by NZX from time to time; and

(b) Make available to each Quoted Security holder in accordance with Rule 10.4.4,

an annual report. That annual report shall be delivered to NZX before or at the same time as it is made available to Quoted Security holders in accordance with Rule 10.4.4, and shall contain

all information:

(c) required by law;

(d) required in a preliminary announcement by Rule 10.3.2; and

(e) required by Rule 10.4.4, Rule 10.4.5 and Rule 10.4.7.

The financial statements in that annual report shall be audited and shall be accompanied by an audit report in accordance with the requirements of the Financial Reporting Legislation.

10.4.2 Each Issuer shall within three months after the end of the first six months of each financial year of the Issuer:

(a) deliver to NZX electronically, in the format specified by NZX from time to time; and

(b) make available to each Quoted Security holder in accordance with Rule 10.4.4,

a half-year report. That half-year report shall be delivered to NZX before, or at the same time as, it is made available to Quoted Security Holders in accordance with Rule 10.4.4. That half-year report shall include the information and otherwise address the matters prescribed by the relevant section of Appendix 1.

10.4.3 An Issuer that is a State enterprise (as defined in the State-Owned Enterprises Act 1986) is not required to issue to its Quoted Security holders an annual report (in accordance with Rule 10.4.1) or a half-year report (in accordance with Rule 10.4.2) until that annual report or half-year report has been provided to the Minister responsible for the State enterprise in accordance with the requirements of the State-Owned Enterprises Act 1986 and laid by that Minister responsible for that State enterprise before the House of Representatives in accordance with the State Owned Enterprises Act 1986 or published in the Gazette under section 17(2A) of the State-Owned Enterprises Act 1986, whichever is the earlier.

10.4.4 An Issuer shall make an annual or half-year report available to Quoted Security holders as required by Rule 10.4.1 or Rule 10.4.2, by sending to Quoted Security holders either:

(a) A copy of the annual report or half-year report (as the case may be); or

(b) A notice containing the statements referred to in section 209(3) of the Companies Act 1993 and complying with sections 209A and 209B of the Companies Act 1993.

Provided that for the purposes of Rule 10.4.4 and Rule 10.4.6, sections 209 to 209B of the Companies Act 1993 shall be deemed modified so that:

(c) references in that section to “shareholders” shall be deemed to be references to members of the relevant Class of Quoted Security holders of that Issuer; and

(d) in respect of an Issuer which is not a company, references to “company” shall be deemed to be references to the Issuer; and

(e) in respect of a Managed Investment Scheme, references to “board of a company” shall be deemed to be references to the Manager; and

(f) references to “annual report” shall (for the purposes of compliance with Rule 10.4.2) be deemed to be a reference to a half-year report; and

(g) section 209(3)(d) shall not apply to the half-year report; and

(h) references to “annual report” shall be deemed to be references to an annual report as required by Rule 10.4.1.

Provided also that an Issuer will be deemed to have made any half-year report available to Quoted Security holders if that Issuer’s most recent annual notification under Rule 10.4.4(b) explicitly stated that it applied to the next half-year report under the Rules. Where a half-year report is deemed to have been made available in this way, a Quoted Security holder’s election in respect of receipt of the relevant annual report, if any, shall apply in connection with that half-year report, except that an election to receive a concise annual report must be treated to include an election to receive the relevant half-year report.

10.4.5 The annual report of an Issuer shall comply with all applicable legislation and contain:

(a) the information required to be published by subpart 5 of Part 5 of the FMC Act and, in the case of a company registered under the Companies Act 1993, the information required by section 211 of that Act; and

(b) the names and holdings of Equity Securities of the holders having the 20 largest holdings of Quoted Equity Securities on the register of the Issuer as at a date not earlier than 2 months before the date of the publication of the annual report; and

(c) the Equity Securities, and Securities that may Convert to Equity Securities, in which each Director has a Relevant Interest at the balance date of the current financial year; and

(d) details of the spread of Quoted Security holders at a date not earlier than 2 months before the date of the publication of the annual report; and

(e) the current credit rating status (if any) of the Issuer; and

(f) a summary of all waivers:

(i) granted and published by NZX in the 12 month period preceding the balance date of the Issuer (or a reference to where a summary of waivers are published on the Issuer's website, which summary must be available until publication of the next annual report); and

(ii) relied upon by the Issuer.

(g) details of any exercise of NZX's powers set out in Rule 5.4.2 where the exercise is already public knowledge; and

(h) a statement of any corporate governance policies, practices and processes, adopted or followed by the Issuer; and

(i) a statement on whether and, if so, how the corporate governance principles adopted or followed by the Issuer materially differ from the Corporate Governance Best Practice Code or a clear reference to where such statement may be found on the Issuer's public website; and

(j) a quantitative breakdown, as to the gender composition of the Issuer's Directors and Officers as at the Issuer's balance date and including comparative figures for the prior balance date of the Issuer. Comparative figures are not required to be provided in respect of balance dates falling in periods before the effective date of this Rule; and

(k) a statement from the Board of the Issuer providing its evaluation of the Issuer's performance with respect to its diversity policy (if applicable); and

(l) a statement as to which of its Directors are Independent Directors and which of its Directors are not Independent Directors, as at the balance date of the Issuer; and

(m) details of any Director who has been appointed pursuant to provisions of the Constitution complying with Rule 3.3.8, and the Security holder which appointed that Director.

1. An Issuer may choose to disclose in its annual report any diversity policy or any other matter relating to its diversity practices or position (including in particular in relation to diversity other than gender).

2. Issuers' attention is drawn to the NZX Guidance Note – Diversity Policies and Disclosure and the recommendations in the Guidance Note. NZX encourages Issuers to follow the recommendations in the Guidance Note.

3. Paragraphs (j) and (k) have effect in respect of balance dates falling on or after 31 December 2012.

4. Issuers' attention is drawn to a class Ruling released in February 2015 in which NZX Regulation clarified that Issuers should disclose numbers of male and female Directors and Officers to meet the requirements of paragraph (j).

10.4.6 Where a concise annual report is prepared in relation to the same accounting period as an annual report, that report shall contain:

(a) The disclosures required by section 209(5) of the Companies Act 1993 (modified in the manner set out in Rule 10.4.4; and

(b) The information required by Rule 10.4.5(e), Rule 10.4.5(f) and 10.4.5(g).

10.4.7 Any Issuer which extends its half-year reporting period or changes its annual balance date to a later date shall make a report containing such information, and to be released at such time, as NZX shall require in respect of the existing half-year reporting period or the period ending on the existing balance date.

10.4.8 Each Issuer shall supply to any Advisor or Trading Participant who so requests, free of charge, a copy of any document referred to in Rule 10.3 or Rule 10.4.

10.5 Financial Statements

10.5.1 The financial statements of each Issuer shall comply with applicable Financial Reporting Legislation.

10.5.2 NZX may require an Issuer to provide, in its financial statements or otherwise, information additional to that required by Financial Reporting Legislation.

10.6 Other Administrative Information to be Notified to NZX

10.6.1 Without limiting the information that is required to be released as Material Information under Rule 10.1.1 every Issuer shall provide to NZX for release to the Market under Rule 10.2.2 as soon as the information is first available:

(a) any proposal to sub-divide or consolidate Securities, or to issue Equity Securities, or Securities that may Convert to Equity Securities, whether they are to be Quoted or not; or

(b) any proposal to amend conditions of Quoted Securities; or

(c) non-confirmation by a meeting, or cancellation, of any proposal already notified to NZX; or

(d) any change in the Directors, Senior Managers (as defined in the FMC Act), or auditor of an Issuer; or

(e) any change of address, or phone, telex, or facsimile number, of the registered office or share registry of an Issuer; or

(f) any proposed change of name of an Issuer; or

(g) the opening or closing of a branch register; or

(h) a decision to extend its half-year reporting period or to change its annual balance date to a later date and, in any event, must notify such change not less than one month before the end of the existing half-year reporting period or not less than one month before the existing annual balance date.

(i) any credit ratings of any Issuer or guaranteeing entity of an Issuer of Debt Securities.

10.6.2 Without limiting any other Rule, every Issuer shall provide to NZX for release to the Market under Rule 10.2.2 an electronic copy in the same format, of every notice or communication given to:

(a) holders of that Issuer's Quoted Securities; and

(b) any stock exchange other than NZX,

no later than the time at which it is sent to any holders of Quoted Securities or to any other stock exchange.

10.7 Disclosure of Relevant Interest in Securities

10.7.1 Every Issuer shall, upon request by NZX, exercise its powers under

subpart 5 of Part 5 of the FMC Act in respect of such holders of Securities of the Issuer, or other persons, as NZX may specify (either individually or by reference to a Class).

10.7.2 Every Issuer shall, if so requested by NZX, provide to NZX for public release any information obtained by the Issuer by reason of the exercise by that Issuer of its powers under subpart 5 of part 5 of the FMC Act (whether as a result of a request by NZX under Rule 10.7.1 or otherwise).

10.8 Announcements by Mining issuers

10.8.1 In the Rules, unless the context otherwise requires:

Mining Issuer	means an Issuer that is principally engaged in the exploration for or extraction of any mineral, oil or natural gas, and includes an Issuer that holds an interest or interests in any mining tenement where that interest or interests is or are a principal part of the Issuer's business or assets.
Mining Tenement	includes an exploration licence and any mineral, oil, or natural gas lease or concession.
Permit	means a permit in terms of the Crown Minerals Act 1991(as amended by the Crown Minerals Amendment Act 2013).

10.8.2 Where an unlisted company or entity is or becomes the operator in a joint venture with an Issuer to investigate or explore a mining tenement, the Issuer shall ensure that the contract between the parties provides that the operator must disclose immediately to the Issuer any significant discovery of mineralisation or hydrocarbon and, if so required, give to the Issuer a full report on such discovery and information necessary to avoid the establishment of a false market in the Issuer's securities. In addition, the Issuer shall secure the right to make all or part of such report available to NZX.

10.8.3 Where a Mining Issuer reports on the progress of any geophysical survey, the report shall state:

(a) the name of the survey; and

(b) the nature of the survey; and

(c) the Permit in which the survey is being conducted; and

(d) the status of the survey.

10.8.4 A Mining Issuer shall give to NZX within one month after the end of each quarter of a calendar year a report giving all the information required by Appendix 11, and in addition providing full details of production, development and exploration activities (including geophysical surveys) and expenditure incurred thereon. Where there has not been any production, development and/or exploration activities, that fact shall be stated.

10.9 Hydrocarbon Reports

10.9.1 Hydrocarbon Definitions: In the Rules, unless the context otherwise requires:

Hydrocarbon	means a compound of the elements hydrogen and carbon, in either liquid or gaseous form. Natural gas and petroleum are mixtures of hydrocarbons
Hydrocarbon Reserves	means proved hydrocarbon reserves, probable hydrocarbon reserves or possible hydrocarbon reserves.
Possible Hydrocarbon Reserves	means reserves less well defined by geological and geophysical control than probable hydrocarbon reserves and consist of extensions to the proved and probable hydrocarbon reserves areas where so indicated by geophysical and geological studies. The probability generally assigned to these reserves would be 25% but may be higher or lower.
Probable Hydrocarbon Reserves	means those reserves that may be reasonably assumed to exist because of geophysical or geological indications and drilling done in regions which contain proved hydrocarbon reserves. This category may also include reserves commercially recoverable as a result of the beneficial effects which may be derived from the future institution of some form of pressure maintenance or other secondary recovery methods, or as a result of a more favourable performance of the existing recovery mechanism than that which would be deemed proved at the present time. There is equal risk of there being larger or smaller volumes of reserves resulting.

Proved Hydrocarbon Reserves	means those reserves that, to a high degree of certainty, are recoverable, at commercial rates, under presently anticipated production methods, operating conditions, prices and costs. There is relatively little risk associated with these reserves.

10.9.2 Probable hydrocarbon reserves shall only be reported in conjunction with proved hydrocarbon reserves. Possible hydrocarbon reserves shall only be reported in conjunction with proved and probable hydrocarbon reserves.

10.9.3 Any report which relates to an Issuer's hydrocarbon reserves shall be based on and state that it is based on, or be accompanied by, a statement of information compiled by a person engaged in the practice or teaching of geology, geophysics or petroleum engineering who holds a Bachelor Degree (or its equivalent) in geology, geophysics, petroleum engineering or a related discipline and who, in addition, has had at least five years' experience in the practice or the teaching of geology, geophysics or petroleum engineering.

Where that person is:

(a) not a full-time employee of the reporting Issuer, a report based on information compiled by the person shall not be released by the reporting Issuer unless the person has consented in writing to the inclusion in that report of matter based on the information so compiled by him in the form and context in which it appears and the report or attached statement so states; or

(b) a full-time employee of the reporting Issuer, it shall be stated in the report or attached statement that the report accurately reflects the information compiled by the person.

10.9.4 Where a report relates to the potential hydrocarbon reserve state (i.e., from the earliest exploratory investigations to the stage preceding that at which proved hydrocarbon reserves can be estimated), the word "reserves" shall not be used.

10.9.5 In addition to any other requirement to report in the Rules, a Mining Issuer shall provide to NZX the following information on hydrocarbon exploration and assessment during drilling and testing operations weekly (prior to 9.00am on a Business Day):

(a) The name of the well, the Permit in which it is located, and its position in the Permit with respect to previous wells,

known oil or gas fields or towns.

(b) The time of reporting.

(c) The progress for the past week.

(d) Current operation.

(e) Any results of drill stem tests and other flow tests where hydrocarbons are recovered to surface, in accordance with Rule 10.9.7.

(f) The participating companies and their beneficial percentage interest in the well.

Disclosure of the information required by this Rule 10.9.5 by an Issuer participating in the well shall be adequate disclosure on behalf of all the other participants in the well where such other participants are identified.

10.9.6 Where a report relates to results of exploratory investigations which have reached the stage where a hydrocarbon reserve can be estimated, reports which refer to hydrocarbon reserves shall use the expressions for categories of hydrocarbon reserves, as defined in the Rules.

10.9.7 A report shall be issued on the day that:

(a) a decision to flow test an interval of the well is made, advising of the decision and the depth and gross interval to be tested; and

(b) flow test operations commence, advising of such; and

(c) hydrocarbons are flowing to surface.

Within 24 hours of completion of flow test operations over the test interval, a report shall be issued which includes:

(d) depth and interval tested; and

(e) representative sustained flow rate (if achieved); and

(f) choke size and representative surface flowing pressure (if achieved); and

(g) summary description of fluids recovered.

10.9.8 A report required under Rule 10.9.7 need not be released if:

(a) a reasonable person would not expect the information to be disclosed; and

(b) the information is confidential and its confidentiality is maintained; and

(c) the release of the information would be a breach of law.

10.10 Ore and Mineralisation Reports

10.10.1 Where a report relates to the pre-identified mineral resources stage as described in Appendix 12, the words “ore”, “reserves” or “resources” shall not be used and in lieu of such words such a report shall refer to “mineralization” or some similar term having no economic connotation.

10.10.2 Reports and statements in the field of mineral exploration and assessment which may be made by an Issuer during the pre-resource mineralisation stage shall include relevant basic data such as the type and method of sampling and the distribution, dimensions, assay results and relative location of all relevant samples. If true dimensions, particularly width or mineralisation, are not stated, the report shall be qualified accordingly.

10.10.3 References to geophysical or geochemical results shall refer only to “anomalies” and not to “mineralization”, “ore”, “reserves”, “resources” or similar terms.

10.10.4 Assay results shall be set out in one of the following three forms considered most suitable by the Issuer’s geologist and/or mining engineer:

(a) all assay results, with sample widths or size in the case of bulk samples; and

(b) the weighted average grade of the mineralised zone, indicating clearly how the grade was calculated; and

(c) when high values are recorded they must be given in context, with full supporting data.

The type of assay method used shall be stated for all assay results submitted to NZX.

10.10.5 Where a report relates to results of exploratory investigations which have reached the stage where an identified mineral resource or ore reserves can be estimated with reasonable assurance, reports which refer to identified mineral resources or ore reserves shall use the expression for categories of identified mineral resources or ore reserves, as defined in Appendix 12.

10.10.6 Any report which relates to an Issuer's ore or mineralisation must be based on and state it is based on or be accompanied by a statement signed in the same manner as the report that it is based on, of information compiled by a person who is a competent person, as defined in Appendix 12.

Where the competent person is:

(a) not a full-time employee of the reporting Issuer, a report based on information compiled by the competent person shall not be released by the reporting Issuer unless the competent person has consented in writing to the inclusion in that report of matter based on the information so compiled by him in the form and context in which it appears and the report or attached statement so states; or

(b) a full-time employee of the reporting Issuer, it shall be stated in the report or attached statement that the report accurately reflects the information compiled by the competent person.

Main Board/Debt Market Listing Rules

Section 11: Transfers and Statements

11.1 Transfer of Securities

11.1.1 Subject to the provisions of any legislation, and to Rule 11.1.4 and Rule 11.1.5, no Issuer shall impose, in its Constitution or otherwise, any restriction on the right of a holder of a Quoted Security to transfer that Security, or any restriction upon registration of a properly completed transfer of Quoted Securities.

11.1.2 A transfer of Securities in writing that has not been properly completed shall be promptly returned to the person submitting it, for completion, and (subject to Rule 11.1.4 and Rule 11.1.5) shall be registered when the errors or omissions have been rectified.

11.1.3 Subject to the provisions of Rule 11.1.5 and of any legislation no Issuer shall:

(a) require any documentation relating to transfers other than to establish an entitlement to transfer; or

(b) require any information relating to the transferee; or

(c) impose any restriction on the acceptability of any common form of transfer.

11.1.4 An Issuer may decline to accept or register:

(a) a transfer of a Security on which the Issuer has a lien; or

(b) a transfer of Securities if such registration, together with the registration of any further transfer or transfers then held by the Issuer and awaiting registration, would result in the proposed transferee holding Securities of less than the Minimum Holding.

11.1.5 An Issuer may, with the prior approval of NZX, incorporate in its Constitution or Trust Deed a provision restricting the issue, acquisition or transfer of Relevant Interests in Securities.

NZX recognises that there are situations in which a restriction on the ownership of the Equity Securities or Debt Securities of an Issuer may be appropriate. In addition, NZX wishes to facilitate the Listing of entities (such as co-operative companies) which may have membership or security ownership restrictions and have not previously availed themselves of the services offered by NZX. NZX will generally exercise its discretion to permit a restriction to be introduced where:

(a) the Issuer has some right, licence, or property which forms a significant part of the business of the Issuer (such as airline landing rights or fishing quota) which could reasonably be expected to be adversely affected by the aggregation of the holding of Equity Securities by a person or group of persons;

(b) the restriction is desirable, expedient or necessary in connection with giving effect to a statutory requirement;

(c) there are other reasons which NZX considers justify the inclusion of a restriction.

NZX will as a general rule only exercise its discretion under Rule 11.1.5 before the time of the initial Listing of an Issuer or, in respect of a Class of Securities of an Issuer, before the time of the initial Quotation of that Class. NZX's view is that any restriction on the ownership of Equity Securities of an Issuer should be clear at the time of Listing or Quotation, so that investors can make an informed investment decision before they acquire Equity Securities of the Issuer through NZX. NZX will generally approve a restriction on transfer of Quoted Debt Securities relating to size of parcel.

11.1.6 Except as expressly permitted by the Rules, no benefit or right attaching to a Security shall be cancelled or varied by reason only of a transfer of that Security.

11.2 Statements

11.2.1 Every Issuer shall issue to each holder of Quoted Securities of that Issuer on request, a statement that sets out:

(a) the Class of Securities held by that holder, the total number of Securities of that Class issued by the Issuer, and the number of Securities of that Class held by the holder; and

(b) the register on which the holder's Securities are held, if other than the principal register; and

(c) the rights, privileges, conditions and limitations, including restrictions on transfer (if any) attaching to the Securities held by the holder; and

(d) the relationship of the Securities held by the holder to other Classes of Quoted Securities; and

(e) the holder's number, CSN and the address of the holder; and

(f) the postal address of the registrar of the Securities.

Rule 11.2.1 requires that further issues of Equity Securities which

may eventually become part of another Class (for example, upon payment of calls in full, or elapse of a period of non-entitlement to a dividend) be clearly identified as distinct from that other Class. Statements must therefore carry the appropriate description e.g.,"1994 Bonus Issue", "1993 Cash Issue". Statements provided pursuant to subsequent transfers of such Securities need contain only an endorsement of the relevant dividend qualification until the Securities eventually rank pari passu with all others of the Class they are to become.

11.2.2 An Issuer shall not be obliged to provide a holder with the Statement required by Rule 11.2.1 if:

(a) such a Statement has been provided within the previous six months; and

(b) the holder has not acquired or disposed of Securities of the relevant Class since a previous Statement required by Rule 11.2.1 or Rule 11.2.3 was provided; and

(c) the rights attached to Securities of the relevant Class have not been altered since the previous Statement required by Rule 11.2.1 was provided.

11.2.3 Every Issuer shall issue a Statement including the details in Rule 11.2.4 to each holder of Securities who obtains or disposes of Securities upon an issue or a transfer within five Business Days after the date of allotment of those Securities, or the date of registration of that transfer.

11.2.4 Where the Statement required by Rule 11.2.3 is issued following a transfer, the Statement shall include the following information:

(a) all the information specified in Rule 11.2.1(a), Rule 11.2.1(b), Rule 11.2.1(e) and Rule 11.2.1(f), except that the total number of Securities of that Class issued by the Issuer need not be shown; and

(b) the number of Securities transferred (to or from the holder) in each transfer since the last Statement; and

(c) where the transfer is submitted by a Market Participant, the subscriber reference provided in that transfer.

11.2.5 In addition to the requirements of Rule 11.2.1, Statements in respect of Debt Securities shall include the following information:

(a) the maturity (or conversion) date of the principal together with any optional maturity (or conversion) date; and

(b) the rate, or formula for calculation of the rate or amounts,

of interest and the due dates for the payment of interest and, where appropriate, the date from which interest accrues; and

(c) the authority under which the issue is made; and

(d) brief particulars of any Security, or the word “unsecured”; and

(e) the mode of transfer and minimum amount; and

(f) the terms of conversion, where applicable; and

(g) a summary of any other information which is likely to be material to an ordinary purchaser in the market which distinguish the terms of issue from other Debt Securities of other issues and other Issuers, including any rights to early repayment.

11.3 Registration

11.3.1 If an Issuer appoints a registrar to keep any register of Securities, that Issuer shall ensure that its registrar complies with the requirements of this Section 11, and references in this Section 11 to an Issuer shall for this purpose include its registrar.

11.3.2 Every Issuer shall ensure that its registry functions are performed promptly and properly and shall indemnify Participants and persons having dealings with its registrar against any losses, costs or expenses incurred as a consequence of any failure in such performance of registry functions which is not fairly attributable to the fault of the person claiming indemnity (or his or her agent).

11.3.3 Subject to the right of any Issuer in terms of Rule 11.1, all properly executed and documented written Security transfers shall be registered within two Business Days of their receipt by the Issuer.

11.4 Legal Title Transfer

11.4.1 Definitions: For the purposes of this Rule 11.4:

Client Inward Transfer	has the meaning set out in the Depository Rules.
Client Outward Transfer	has the meaning set out in the Depository Rules.

11.4.2 Every Issuer with Securities Quoted, or that Issuer’s registry shall:

(a) connect its register and maintain its registry connection to the Depository System, as specified from time to time by NZX, and operate it on all Business Days between the

hours of 8.00 am and 6.00 pm;

(b) comply with any time limits for the processing of electronic messages or documentation which NZX may from time to time specify in relation to the operation of the Depository System;

(c) not delay the registration of any transfers, except in accordance with paragraph (l) in the Appendix to the Depository Rules; and

(d) issue holders of Quoted Securities who are not Participants directly connected to the Depository System with an Authorisation Code or FIN.

11.4.3 In any case where a Client Inward Transfer is entered by a person in any circumstance where that person does not have the proper authority of the holder of the Securities being transferred to execute the transfer, the Issuer shall be obliged to immediately reinstate or otherwise compensate the dispossessed Security holder:

Provided that this obligation on the part of the Issuer shall not affect or prejudice any right the Issuer may have against any other person.

11.4.4 A Client Outward Transfer to a bona fide purchaser for value shall not in any circumstance be cancelled or reversed by an Issuer.

11.4.5 Each Participant who completes a Client Inward Transfer will be deemed to warrant to the Issuer that the transfer is valid and has been authorised by the registered holder of the Securities being transferred and to indemnify the Issuer for any loss suffered by the Issuer due to a breach by the Participant of that warranty, without prejudice to any right of the Participant under Rule 11.3.2.

11.4.6 The warranty contained in Rule 11.4.5 will give rise to a cause of action by an Issuer against the Participant in question:

Provided that this obligation on the part of the Participant shall not affect or prejudice any other right the Participant may have.

11.4.7 The requirement in this Rule 11.4 for an Issuer to connect and operate a registry which is connected to the Depository System shall only apply as long as the Rules include the provision of Rule 11.4.3, Rule 11.4.4, Rule 11.4.5, Rule 11.4.6, and this Rule 11.4.7.

11.4.8 NZX may not exercise its right of waiver under Rule 1.7 in respect of compliance with Rule 11.4.2(a), Rule 11.4.2(d), Rule 11.4.3, Rule 11.4.4, Rule 11.4.5, Rule 11.4.6, Rule 11.4.8 or this Rule

11.4.8.