

SECTION 2

SUMMARY OF RULES FOR MARKET PARTICIPANTS AND FASTER REGISTRIES

2.1 NZX TRADING AND ADVISING FIRMS

NZX Trading and Advising Firms must comply with all of these **Rules**, except for all of Section 18 and Section 13 apart from **Rule 13.38** (unless the NZX Trading and Advising Firm is also a designated and approved Delivery and Settlement Participant).

2.2 PRINCIPAL BOOK ONLY DEALERS

Principal Book Only Dealer must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Section 3: Market Participants;
- (d) Section 4: Trading Participants;
- (e) Section 8: General Obligations of All Market Participants and Advisors;
- (f) Section 10: Trading - General Obligations;
- (g) Section 12: Market Makers (if appropriate);
- (h) Rule 13.38 of Section 13: Delivery and Settlement;
- (i) Section 15: Capital Adequacy; and
- (j) Section 16: NZX Supervision (*Amended 28/2/07*); and
- (k) Section 17: NZX Powers.

2.3 NZX ADVISING FIRMS

NZX Advising Firms must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Section 3: Market Participants;
- (d) Section 5: Client Advising Participants;
- (e) Section 7: Primary Market Participants;
- (f) Section 8: General Obligations of All Market Participants and Advisors;
- (g) Section 9: Client Advising;
- (h) The following **parts** of Section 10: Trading – General Obligations:
 - Rules
 - A10.1.1 to A10.1.3
 - A10.2 to A10.4 (*Amended 28/2/07*)
 - A10.7
 - A10.14 to A10.14.5
 - A10.15
 - A10.17.4 to A10.17.5 (*Inserted 28/2/07*)
 - A10.18
 - A10.20
 - A10.21;
- (i) Section 11: Trading on Behalf of Clients;
- (j) Section 12: Market Makers (if appropriate);
- (k) Section 14: Client Assets;
- (l) Section 15: Capital Adequacy;
- (m) Section 16: NZX Supervision (*Amended 28/2/07*); and

- (n) Section 17: NZX Powers.

2.4 POST TRADE PARTICIPANTS

Post Trade Participants must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Section 3: Market Participants;
- (d) Section 6: Delivery and Settlement Participants;
- (e) Section 8: General Obligations of all Market Participants and Advisors;
- (f) Section 13: Delivery and Settlement;
- (g) Section 14: Client Assets;
- (h) Section 15: Capital Adequacy;
- (i) Section 16: NZX Supervision (*Amended 28/2/07*); and
- (j) Section 17: NZX Powers.

2.5 FASTER PARTICIPANTS

FASTER Participants must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Section 3: Market Participants;
- (d) Section 6: Delivery and Settlement Participants;

- (e) Section 8: General Obligations for All Market Participants and Advisors;
- (f) Section 13: Delivery and Settlement;
- (g) Section 14: Client Assets (if required by NZX); (*Inserted 28/2/07*)
- (h) Section 15: Capital Adequacy (if required by NZX); (*Amended 28/2/07*)
- (i) Section 16: NZX Supervision (*Amended 28/2/07*); and
- (j) Section 17: NZX Powers. (*Amended 28/2/07*)

2.6 NZX SPONSORS

NZX Sponsors must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) The following parts of Section 3: Market Participants;

Rules

- 3.1.1
- 3.1.2
- 3.1.3(a), (b), (c) and (f)
- 3.2 (if applicable)
- 3.9
- 3.15 to 3.23
- 3.25
- 3.27 to 3.29;

- (d) Section 7: Primary Market Participants;
- (e) Section 8: General Obligations of All Market Participants and Advisors; and
- (f) Section 17: NZX Powers.

2.7 DISTRIBUTION AND UNDERWRITING SPONSORS

Distribution and Underwriting Sponsors must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) The following parts of Section 3: Market Participants;

Rules

3.1.1;

3.1.2

3.1.3(a), (b), (c) and (f)

3.2

3.9

3.15 to 3.23

3.25 to 3.29;

- (d) Section 7: Primary Market Participants;
- (e) Section 8: General Obligations of All Market Participants and Advisors;
- (f) Rule A10.7 of Section 10: Trading – General Obligations
- (g) Section 15: Capital Adequacy (if required by NZX);
- (h) Section 17: NZX Powers.

2.8 BANK ONLY PARTICIPANTS

Bank Only Participants must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Section 3: Market Participants;

- (d) Section 4: Trading Participants;
- (e) Section 5: Client Advising Participants;
- (f) Section 7: Primary Market Participants;
- (g) Section 8: General Obligations of All Market Participants and Advisors;
- (h) Section 9: Client Advising;
- (i) Section 10: Trading – General Obligations;
- (j) Section 11: Trading on behalf of a Client;
- (k) Section 12: Market Makers (if appropriate);
- (l) Rule 13.38 of Section 13 – Delivery and Settlement;
- (m) Section 14: Client Assets;
- (n) Section 15: Capital Adequacy;
- (o) Section 16: NZX Supervision (*Amended 28/2/07*); and
- (p) Section 17: NZX Powers.

2.9 FASTER REGISTRIES

FASTER Registries must comply with the Rules set out in:

- (a) Section 1: Definitions and Administration;
- (b) Section 2: Summary of Rules for Market Participants and FASTER Registries;
- (c) Rule 3.26.3 of Section 3: Market Participants;
- (d) Section 17: NZX Powers;
- (e) Section 18: Specific Requirements for FASTER Registries.