



Practice Note 15/2017

Conversion of Securities

Applies to Rules as at: 23 June 2017

Summary

This Practice Note explains:

- The announcements that issuers must make in relation to a conversion of their securities.

Relevant Listing Rules:

- NZX Main Board Listing Rules (**Main Board Rules**) 7.12.2, 7.12.8 and 7.12.9
- NZAX Listing Rules (**NZAX Rules**) 7.11.2, 7.11.5 and 7.11.6 (together, the **Listing Rules**)

The Listing Rules require issuers to notify the market when converting securities. This includes the conversion of unquoted securities into quoted securities.

This information is required to ensure that the information published to the market about an issuer's total number of securities is accurate. The timing of the notices that relate to the conversion of securities is set out below.

Event	Action(s) required
Day X (at least 10 Business Days before Record Date)	<input type="checkbox"/> Notice of intended conversion released to NZX <i>Main Board Rule 7.12.2, Appendix 7</i> <i>NZAX Rule 7.11.2, Appendix 4</i>
Ex Date Day X + nine Business Days	
Record Date Day X + 10 Business Days	
Conversion Date Day X + 11 Business Days	<input type="checkbox"/> Notice of completed conversion released to NZX <i>Main Board Rules 7.12.9, and 7.12.1 (if converting into Equity Securities)</i> <i>NZAX Rules 7.11.6, and 7.11.1 (if converting into Equity Securities)</i>

In some instances, issuers will issue securities that are convertible at the option of the holder before the final maturity date. In those cases, issuers should have regard to Main Board Rule 7.12.8 or NZAX Rule 7.11.5 and provide holders with notice of their option to convert:

- If the conversion will occur on a fixed date or dates, at least six weeks before that date; or
- If the conversion will occur as the result of an event
 - As soon as practicable after that event; or
 - Before that event if it becomes apparent that the event will occur.

Practice Notes are not intended to be a definitive statement of the application of the rules in every situation and are only a guide to NZX's policy and practice. This Practice Note does not limit NZXR's discretion under the rules. NZX takes no responsibility for any error contained in the Practice Note. NZXR may replace Practice Notes at any time.