

SECTION 11

TRADING ON BEHALF OF A CLIENT

GENERAL TRADING OBLIGATIONS WHEN TRADING ON THE MARKETS PROVIDED BY NZX

11.1 RELATIONSHIP WITH SECTIONS 9 AND 10

Section 11 of these Rules should be read in conjunction with the obligations set out in **Sections 9** and **10** of these **Rules**.

11.2 ALLOCATION POLICY

11.2.1 A Client Advising Participant who transfers Trades into a pool account prior to the allocation of the Securities the subject of those Trades to clients must include in its terms of business, and/or client agreements, details of the policy it adopts in allocating Securities to client Orders (**Allocation Policy**).

(Amended 28/2/07)

11.2.2 If requested by a client, Client Advising Participants must give that client a written statement of all the individual prices/yields associated with that client's Order which have been averaged under the Client Advising Participant's Allocation Policy.

11.2A RISK WARNINGS

A Client Advising Participant must provide its client with Risk Warnings each time that client requests to Trade in any Security and/or Financial Instrument that has different risks associated with it than those Securities and/or Financial Instrument for which that client has already been provided with Risk Warnings either, in that client's client agreement or under this **Rule 11.2A**.

(Amended 28/2/07)

11.3 BRINGING ORDERS TO MARKET

11.3.1 Subject to **Rules 11.3.2, 11.3.3 and 11.3.5**, a Client Advising Participant must submit any Order, which is at market or at a fixed price limit, straight to market via the Trading System. For the avoidance of doubt pursuant to this **Rule 11.3.1** a Client Advising Participant must not, for any market or fixed price limited Order:

(Amended 28/2/07)

- (a) Accumulate or bundle Orders coming to market;
- (b) Delay executing client Orders; or
- (c) Delay Orders to facilitate Crossings. *(Amended 28/2/07)*

11.3.2 A Client Advising Participant may, upon obtaining instructions from its client to do so (which may be by means of an e-mail, facsimile, letter from that client, a written transcript by the Advisor for that Client Advising Participant of that client's instructions received by telephone or the inclusion of standing instructions in the client agreement in prominent lettering), execute an Order for a client at that Client Advising Participant's discretion. *(Amended 28/2/07)*

If standing instructions are obtained via a client agreement, the client agreement must allow that client to override the standing instructions detailed in the client agreement at the time the Order is placed. *(Inserted 28/2/07)*

For the avoidance of doubt, in the absence of standing instructions obtained through the client agreement, the client instructions obtained pursuant to this **Rule 11.3.2** must be obtained for each Order and may authorise a Client Advising Participant who has obtained a client's instruction to: *(Amended 28/2/07)*

- (a) Accumulate or bundle Orders coming to market;
- (b) Delay executing client Orders; or
- (c) Delay Orders to facilitate Crossings. *(Amended 28/2/07)*

11.3.3 Notwithstanding anything in **Rules 11.3.1** and **11.3.2** a Client Advising Participant may:

- (a) Accumulate or bundle Orders coming to market;
- (b) Delay executing client Orders; or
- (c) Delay Orders to facilitate Crossings, *(Amended 28/2/07)*

in order to participate in the sell down of:

- (d) a substantial security holder's holding in a listed Issuer; or
- (e) more than NZ\$5 million in value of Securities of an Issuer.

(Amended 28/2/07)

11.3.4 Notwithstanding anything in **Rules 11.3.1, 11.3.2** and **11.3.3**, a Client Advising Participant must not transact and/or report Trades on behalf of its clients in order to avoid the obligations in these **Rules**, any direction issued from time to time by NZX or contrary to Good Broking Practice.

(Amended 28/2/07)

11.3.5 Notwithstanding anything in **Rules 11.3.1, 11.3.2** and **11.3.3** a Client Advising Participant may as a matter of policy in the case of Institutional Clients:

- (a) Accumulate or bundle Orders coming to market;
- (b) Delay executing client Orders; and/or
- (c) Delay Orders to facilitate Crossings,

Provided that this policy has been advised to the Institutional Client in writing and the Client Advising Participant has not received notification from the Institutional Client disagreeing with such policy or specific instructions concerning the treatment of that Institutional Clients Orders.

(Rule 11.3.5 Inserted 28/2/07)

11.4 COMMON SHAREHOLDER NUMBER

With the exception of **Rules 9.3** and **9.8** and unless notified otherwise by NZX, all Retail Client Orders must be entered/submitted into the Trading System with a CSN. Identification numbers issued by a Securities Registry will not be acceptable in place of a CSN.

(Amended 28/2/07)

11.5 SUSPECTED INSIDER TRADING

11.5.1 Each Client Advising Participant must have policies and procedures in place for referring all instances of suspected insider trading by a client to that Client Advising Participant's Compliance Manager.

11.5.2 Each Compliance Manager of a Client Advising Participant must maintain a written record of all referrals of suspected insider trading referred to him or her pursuant to **Rule 11.5.1**.

11.5.3 Each Compliance Manager of a Client Advising Participant must have policies and procedures in place for the Compliance Manager to investigate all instances of suspected insider trading by a client and report these to NZX.
(Inserted 28/2/07)

11.6 CLIENT COMPLAINTS

11.6.1 All written client complaints received by a Client Advising Participant, and/or its Employees, in relation to the conduct or actions of that Client Advising Participant and/or its Employees in respect of dealings with that client must be:
(Amended 28/2/07)

- (a) Reported to the Client Advising Participant's Compliance Manager; and
- (b) Recorded by the Client Advising Participant's Compliance Manager in a central register.

11.6.2 The central register containing client complaints must be filed in date order and include, as a minimum, the following details:

- (a) The name of the client making a complaint;
- (b) The date the complaint was received;
- (c) A copy of that written complaint;
- (d) Details of the action taken by the Client Advising Participant to resolve the complaint or details of why no action was taken by the Client Advising Participant; and
- (e) The date the complaint was remedied (if remedied).

11.6.3 Each Client Advising Participant's Compliance Manager is responsible for:

- (a) Monitoring the Client Advising Participant's central register of client complaints; and

- (b) Investigating and resolving complaints received from clients about that Client Advising Participant and/or its Employees.

11.7 MARGIN COVER

- 11.7.1 No Client Advising Participant may make a Short Sale on behalf of a client without having first obtained from that client margin cover of a minimum of **15%** of the contract price of the Short Sale (**Margin Cover**).
- 11.7.2 Any Margin Cover must be provided in cash or in Securities valued in accordance with **Rule 11.7.5** or any other valuation methodology approved by NZX from time to time. *(Amended 28/2/07)*
- 11.7.3 If there is a rise in the market price of a Security which has been Short Sold and the Short Sale position is still open, a Client Advising Participant must be able to require a selling client to provide additional Margin Cover equal to a minimum of **10%** of the amount of the increase in market price for that Security, provided that the Seller shall not be obliged to seek such additional margin cover until the rise exceeds **10%** of the contract price of the Securities Short Sold. *(Amended 28/2/07)*
- 11.7.4 In addition to **Rule 11.7.3**, additional Margin Cover is required from a client in respect of that client's Short Sales in the following circumstances: *(Amended 28/2/07)*
 - (a) If the Securities proposed or provided as Margin Cover are suspended, delisted, placed in receivership or liquidation or the Issuer of those Securities has its operations in any way restricted, either by NZX or the Issuer of that Security or by any legal process ("**suspended**"), to the extent that the original Margin Cover has been reduced by the deduction of the suspended Securities; or
 - (b) If there is a fall in the market price of any Securities provided as Margin Cover, to the extent required to make up the shortfall.
- 11.7.5 Securities provided as Margin Cover shall be deemed to have a value of the Current Market Price less the risk-based reductions as set out in **Rule 15.6** applying to the Current Assets of a Market Participant Requiring Liquid Capital for capital adequacy purposes. *(Amended 28/2/07)*

- 11.7.6 If a Short Selling client fails to provide any Margin Cover requested at any time by a Client Advising Participant by the beginning of the next Normal Trading Session after the demand is made, the Client Advising Participant acting for that client may proceed to close out the Short Sale at that client’s risk and expense. If a profit results, that Client Advising Participant shall account to that client accordingly. *(Amended 28/2/07)*

11.8 CLIENT DELIVERY AND SETTLEMENT DISCLOSURES

11.8.1 Prior to accepting an Order on behalf of a client, each Client Advising Participant who is also a Trading Participant must:

- (a) Enter into a client agreement with its client pursuant to **Rule 9.6**;
- (b) Provide its client with a written disclosure statement which must include, as a minimum, the following:
 - (i) the name, telephone number and main business address of the Delivery and Settlement Participant(s) which settles Trades on behalf of that Trading Participant;
 - (ii) a statement that that Trading Participant’s Delivery and Settlement Participant carries out the Settlement Obligations for all Trades executed for that client by that Trading Participant and that that client must settle as principal with that Delivery and Settlement Participant or the relevant counterparty, even though the Trade may have been entered into on that client’s behalf. The Settlement Obligations of that client are therefore owed directly to the Delivery and Settlement Participant(s).
 - (iii) a statement that if;
 - (1) a client fails to pay the amounts due in respect of a Trade;
or
 - (2) a client fails to complete a contract as provided for pursuant to **Rule 13.7**,

the Delivery and Settlement Participant(s) has direct rights against the client, including the rights of sale pursuant to **Rule 13.7.2**;

- (iv) unless that Client Advising Participant who is Trading Participant is also a Delivery and Settlement Participant, that an agreement is deemed to have been entered into between the Delivery and Settlement Participant of that Trading Participant and that client (with the Trading Participant having the Delivery and Settlement Participant's authority to enter into that agreement accordingly) upon the terms set out in the disclosure statement required by this Rule and that such a deemed agreement comes into existence immediately upon the receipt by a Trading Participant of instructions by that client to purchase or sell Securities, and a Trading Participant must retain a record of the disclosure statements made to the relevant client under this Rule and the date the disclosure statement was given to that client.

(Amended 28/2/07)

11.8.2 This **Rule 11.8** does not prevent a Delivery and Settlement Participant, Trading Participant and client from entering into a written agreement on such terms mutually agreed between the parties in relation to the delivery or settlement of Trades and the payment of fees provided that the terms of any such agreement are not inconsistent with the written statement required by **Rule 11.8.1(b)**.

11.9 INABILITY OF CLIENT TO MEET OBLIGATIONS

11.9.1 If a client of a Client Advising Participant dies, or becomes otherwise incapable of receiving and paying for or delivering or transferring Securities which that client has ordered to be bought or sold, that Client Advising Participant shall advise the Trading Participant immediately in writing and the Trading Participant shall advise the Delivery and Settlement Participant, for that client, and if, after reasonable enquiry, the Delivery and Settlement Participant and/or the Client Advising Participant for that transaction has no knowledge of anyone legally authorised to complete such purchases or sales on the client's behalf, the Trading Participant for the Client Advising Participant is entitled, with the approval of NZX, to resell or repurchase, or cause to be resold or repurchased (as the case may be) any outstanding Securities and the client (or their estate) shall be liable for any deficiency, and be entitled to any surplus, which may result. *(Amended 28/2/07)*

11.9.2 If a Trading Participant's client fails or refuses to complete a Trade or contract for the sale or purchase of Securities on demand (which demand need not be in writing), a Trading Participant may resell or repurchase, as the case may be, the Securities the subject of the contract or contracts at that

client's risk and expense, which expenses shall include brokerage and any other relevant charges. *(Amended 28/2/07)*

11.9.3 Unless specified otherwise in the client agreement if as a result of a resale or repurchase pursuant to **Rule 11.9.2** there is a: *(Amended 28/2/07)*

- (a) Deficiency in the settlement price, that deficiency shall constitute a debt owing by the client to that Trading Participant; and
- (b) Surplus, the surplus belongs to the client and a Trading Participant must account to that client accordingly,

subject in each case, to any right of set-off which may exist.

11.10 CONFLICT MANAGEMENT PROCEDURES

11.10.1 Each Client Advising Participant must have written conflict management procedures in place to identify and manage any conflicts of interest which may arise between the Client Advising Participant, its Employees, Prescribed Persons, and/or any client of the Client Advising Participant. These procedures must be established to ensure that conflicts of interest between the Client Advising Participant, its Employees, Prescribed Persons, and/or any client of the Client Advising Participant are, where legally able to be made, disclosed to any person to whom the Client Advising Participant provides investment advice and/or Securities recommendations in a way that ensures the person is treated fairly. NZX may request to see the written conflict management procedures established by a Client Advising Participant and evidence of compliance with these requirements, including, but not limited to, the analysis of whether a conflict exists and the nature of disclosures made where a conflict does exist. *(Amended 28/2/07)*

11.10.1A The conflict management procedures referred to in **Rule 11.10.1** must outline, without limitation:

- (a) A process for Employees to disclose conflicts of interest to the Client Advising Participant;
- (b) The method for disclosing and recording disclosure of conflicts to clients of that Client Advising Participant;

- (c) The procedure the Client Advising Participant will follow in the event an Employee fails to disclose their conflicts of interest to the Market Participant of a client; and
- (d) The setting of an appropriate threshold for that Client Advising Participant to maintain registers of its Employees' Security holdings.
(Rule 11.10.1A inserted 28/2/07)

11.10.2 Where a Client Advising Participant:

- (a) Provides investment advice and/or Securities recommendations to any other person, that Client Advising Participant shall not advise or deal in relation to that transaction unless it has disclosed any conflict of interest between the Client Advising Participant, its Employees and/or Prescribed Persons to that other person identified by its written conflict management procedures referred to in **Rule 11.10.1**; and
- (b) Issues any communications relating to Securities (for example, including, but not limited to, research reports), the Client Advising Participant must disclose any conflict of interest between the Client Advising Participant, its Employees and/or Prescribed Persons with respect to those Securities identified by its written conflict management procedures referred to in **Rule 11.10.1**.
(Rule 11.10.2 Amended 28/2/07)

11.10.3 Each Client Advising Participant must:

- (a) Ensure that its investment advising employees are aware of the Client Advising Participant's written conflict management procedures referred to in **Rule 11.10.1**; and
- (b) Obtain from its investment advising employees an annual written undertaking that those Employees will, and do, comply with those written conflict management procedures as referred to under **Rule 11.10.1**.
(Rule 11.10.3 Amended 28/2/07)

11.11 VOICE RECORDING

- 11.11.1 Each Client Advising Participant must establish policies and procedures for the use of voice recording its client's instructions where voice recording is used. The Compliance Manager of a Client Advising Participant is

responsible for ensuring that such policies and procedures are put in place and are, to the best of the Compliance Manager's ability, adhered to by that Client Advising Participant's Employees.

11.11.2 Deleted 2004

11.11.3 A Client Advising Participant's Employees:

- (a) Must be advised that their deliberate avoidance of policies and procedures established pursuant to **Rule 11.11.1** would represent a serious breach of the Client Advising Participant's operating procedures; and
- (b) Must not have the ability to de-activate the voice-recording system attached to their telephones.

11.11.4 No Employee of a Client Advising Participant may have access to voice recording tapes without the approval of, and in the presence of, the Compliance Manager or an authorised delegate of the Compliance Manager.

11.11.5 If a Client Advising Participant uses voice-recording technology, the recording equipment and stored tapes must be located in a secure area where access is limited to:

- (a) The Compliance Manager;
- (b) A delegate authorised in each instance by the Client Advising Participant's Compliance Manager; and
- (c) Those technical personnel set out in the Client Advising Participant's policies established pursuant to **Rule 11.11.1**,

provided that none of the above are persons whose conversations are recorded.

11.11.6 The Client Advising Participant's Compliance Manager, or his or her delegate, must be present during any review of voice-recording tapes.

11.11.7 The editing of voice-recording tapes is prohibited in all circumstances.

- 11.11.8 Copies of voice-recording tapes may only be made by the Compliance Manager or suitably trained and authorised staff on behalf of the Compliance Manager.
- 11.11.9 All voice-recording tapes of Orders must be labelled and sorted accordingly and be retained by a Client Advising Participant for a period of **10 Business Days** from the time of the client Order being submitted with the Client Advising Participant on the condition that if any issue arises in relation to that client Order during that **10 Business Day** period the voice-recording tape must be kept for as long as the issue in relation to that client Order remains active and unresolved.

11.12 ORDER RECORDS

- 11.12.1 Each Client Advising Participant must maintain an appropriate audit trail for all Orders. This should include Order/deal tickets, written Order confirmations, copies of electronic instructions such as e-mail and the electronic Order record on the Client Advising Participant's in-house order entry system. In each case this audit trail is to include the information in **Rule 11.12.2**. *(Amended 28/2/07)*
- 11.12.2 The instruction details, in conjunction with the system recording client information pursuant to **Rule 11.11**, to be recorded shall include details of:
- (a) The identity of the Advisor receiving the Order;
 - (b) The date and time the Order is received (via a date/time stamp which stamp may be manually applied);
 - (c) The name of the client to which the Order relates;
 - (d) The name of the natural person providing instructions if different from the account holder;
 - (e) The CSN for the client stipulated at paragraph (c), if that client is a Retail Client and NZX requires a CSN for the Order; *(Amended 28/2/07)*
 - (f) A description of the Security ordered and the number of Securities to be bought or sold;

- (g) Whether it is a buy or sell instruction;
- (h) The price/yield limit or price/yield related instructions;
- (i) Whether the Order is at market, at a fixed price limit or whether it is Best Execution;
- (j) The time limit on the Order (if any);
- (k) Instructions for settlement; and
- (l) Any other relevant instructions.

11.12.3 All Orders taken by telephone must be read back to the client giving such Order as a confirmation procedure, unless voice-recording technology is used.

11.12.4 Records of Orders must be uniquely numbered and retained **for two years**, whether or not the relevant Order was executed.

11.13 FASTER IDENTIFICATION NUMBERS OR FINS

11.13.1 Subject to **Rule 11.13.4**, each client FIN held by each Client Advising Participant pursuant to this **Rule 11.13** must be encrypted.
(Amended 28/2/07)

11.13.2 A client FIN held by a Client Advising Participant may only be stored by a Client Advising Participant on the condition that that Client Advising Participant enters into a written agreement with that client which authorises that Client Advising Participant to retain the client's encrypted FIN. The written agreement between that client and that Client Advising Participant pursuant to this **Rule** must:
(Amended 28/2/07)

- (a) Detail the storage and use of that client's FIN by that Client Advising Participant;
- (b) Contain a client risk warning in relation to the possible consequences of unauthorised access to that client's FIN and the consequence of authorised access;

- (c) Contain an acknowledgment that that Client Advising Participant will have unlimited access to the Securities held by the client if that client's FIN is retained by the Client Advising Participant; and
- (d) Contain an undertaking by that Client Advising Participant that that Client Advising Participant will at all times protect that client's FIN from unauthorised use and/or access.

11.13.3 For the avoidance of doubt and subject to **Rule 11.13.4**, all client FINs retained by a Client Advising Participant in accordance with **Rules 11.13.1** and **11.13.2** must be encrypted by that Client Advising Participant's internal systems. Under no circumstance may a Client Advising Participant's internal systems automatically populate a client's FIN for subsequent sales unless that FIN is, and remains at all times, encrypted.

11.13.4 Any record of a client's FIN held by a Client Advising Participant, but not subject to an agreement pursuant to **Rule 11.13.2** or encrypted, must be disposed of which may be done by deleting the FIN from the document on which it is recorded, such that the FIN is not legible, upon the completion of that client's transaction (which shall be when that client's Securities have been successfully transferred out of the name of that client and that client has been paid the monies owing to him or her as a result of the transfer of that client's Securities). If the FIN can not be destroyed, a Client Advising Participant must establish appropriate internal procedures to prevent the unauthorised access or use of that client's FIN.

11.13.5 Where a Client Advising Participant is not a Trading Participant or a Delivery and Settlement Participant, the requirements for the retention and storage of a client's FINs in these Rules may be satisfied by a client entering into a written agreement with a Client Advising Participant that provides for:

- (a) The Client Advising Participant to provide that client's FIN to the Client Advising Participant's Trading Participant and for that Trading Participant to provide it to that Trading Participant's Delivery and Settlement Participant;
- (b) The Client Advising Participant, Trading Participant and Delivery and Settlement Participant to retain that client's FIN on the condition that the client's FIN is encrypted; and

- (c) The client’s FIN at all times to be protected by the Client Advising Participant, Trading Participant or Delivery and Settlement Participant (as applicable), from unauthorised use and/or access.
(Rule 11.13.5 Inserted 28/2/07)

11.14 NOTIFICATION OF SHORT SALE TO DELIVERY AND SETTLEMENT PARTICIPANT

If a Client Advising Participant is not an authorised Delivery and Settlement Participant, that Client Advising Participant must notify its Delivery and Settlement Participant if that Client Advising Participant has accepted an Order for a Short Sale and outline to the Delivery and Settlement Participant any specific delivery and settlement arrangements in relation to the Short Sale.
(Amended 28/2/07)

11.15 CLIENT ORDER PRIORITY

- 11.15.1** No Client Advising Participant shall buy or sell Securities on behalf of a Prescribed Person when that Client Advising Participant or its Dealer(s) and/or DMA Dealer(s) holds an unexecuted Order on the same terms from a client to deal in one or more marketable parcels in such Securities. For the purpose of this **Rule** a limit Order that can not be executed owing to price/yield difference is not an unexecuted Order. *(Amended 28/2/07)*
- 11.15.2** Each Client Advising Participant who allocates a sale and purchase of Securities to fulfil all or part of an Order from a Prescribed Person when the participant has an unfilled Order on the same terms for those Securities from a client which is not a Prescribed Person shall be regarded as having engaged in conduct in breach of these **Rules**.
- 11.15.3** In relation to this **Rule 11.15** a reference to a Prescribed Person placing an Order for its own account means that the Securities to be bought or sold are, or will be, on the completion of part or all of that Order, beneficially owned by that Prescribed Person.
- 11.15.4** The Securities beneficially owned by that Prescribed Person includes Securities which would appear as assets on the balance sheet or consolidated balance sheet of that Prescribed Person.

11.16 CONTRACT NOTES

11.16.1 Each transaction effected by a Client Advising Participant on behalf of its clients shall be evidenced by that Client Advising Participant despatching a written contract note to the client's postal address as recorded and verified on the Client Advising Participant's records no later than the day following the completion of that client's instruction, if that client is an Institutional Client, or no later than the day following that Client Advising Participant executing part or all of that client's instruction, if that client is a Retail Client, provided that the Client Advising Participant shall not be required to provide contract notes to a client where:

- (a) The client has entered a Hold Mail Agreement pursuant to **Rule 9.5**; and/or
- (b) The client is a Discretionary Client and has entered into a written agreement with the Client Advising Participant which authorises that Client Advising Participant not to despatch contract notes following the completion of transactions conducted on behalf of that client provided that such agreement provides that:
 - (i) The client has the right to request a contract note at any time;
 - (ii) The client's consent not to be provided with contract notes upon the Client Advising Participant effecting a transaction on behalf of the client is revocable; and
 - (iii) All details of any transaction that would normally be shown on the contract note, including commission and disclosures, are sent to that client in the report to be provided under **Rule 9.4.5**, subject to that report being provided at least quarterly or more often if agreed in writing between the Client Advising Participant and the client.

(Rule 11.16.1 Amended 28/2/07)

11.16.2 No Client Advising Participant may include in any contract note any matter inconsistent with these **Rules** or Good Broking Practice.

(Amended 28/2/07)

11.16.3 Each Client Advising Participant must disclose on all contract notes despatched in respect of a Trade who the Delivery and Settlement Participant for that Trade is, irrespective of whether that Client Advising Participant is also an accredited Delivery and Settlement Participant or not.

(Amended 28/2/07)

11.16.4 Contract notes for Trades executed for a client may, with that client's written consent in the client agreement or otherwise, be despatched to that client electronically on the condition that:

(Amended 28/2/07)

- (a) The disclosure requirements of these **Rules** are legibly contained on that contract note; and
- (b) It is sent to that client in PDF form or in a form similar to PDFs which can not be amended by the recipient or any other person.

11.16.5 Each Client Advising Participant must disclose on a client's contract note:

- (a) Whether the Client Advising Participant is paid or will be paid by both parties to a Trade;
- (b) The full extent of any commission and margin charge; and
- (c) Any other benefit to that Client Advising Participant or its representatives arising from the transaction.

(Moved from Rule 5.13 - 28/2/07)

11.16.6 The obligations of a Client Advising Participant, who is not also a Trading Participant, under **Rule 11.16** may be fulfilled by the Client Advising Participant's Trading Participant performing those obligations on behalf of the Client Advising Participant.

(Inserted 28/2/07)

11.17 CLIENT PROTECTION

11.17.1 Where existing Security holders are given the right to apply for new Securities offered to Security holders prior to delivery of the Securities sold for cash, a Client Advising Participant must take such action as may be required by Good Broking Practice to protect the rights of the buyers in respect of the Securities so offered.

- 11.17.2 A Client Advising Participant must take such action as may be required by Good Broking Practice to protect the rights of buyers and sellers in respect of entitlements to dividends, interest, or capital distributions and in regard to settlement.
- 11.17.3 The rights and obligations of Buyers and Sellers with regard to calls made on Securities which are being sold must be as recognised by Good Broking Practice.