

NZX finalises market structure

NZX, 2019e

NZX has finalised its updated market structure and listing rules, completing the first holistic review of the rule set in 15 years.

The changes support NZX's commitment to create a rule set that promotes market development and assists in the listing of a broader range of financial products for New Zealanders.

The listing rules are an important connection to our current and prospective customers. Core to these changes was the aim of making it easier for companies to list, while making it simpler and faster for our current companies to raise more capital.

See the formal NZX Listing Rules Announcement of 28 November 2018 here:

- [Notification of amendment to NZX Listing Rules](#)

Changes at a glance

Issuers will be able to take advantage of the updated rules from 1 January 2019 and following a 6 month transition period NZX will move to one equity board on 1 July 2019. This was strongly supported by the market and results in one rule set for all equity issuers. Settings for smaller issuers have been carefully considered to ensure listing remains a viable option for these issuers.

A bespoke set of fund rules will be introduced, designed to significantly reduce the cost of listing for these issuers.

A number of changes have been made to keep building momentum in the debt market, including removing unnecessary compliance costs and improving speed to market for further capital raisings. A wholesale debt market will also open on 1 January 2019.

All rules are now presented in a user friendly format and in plain English to improve usability.

Where to go for more information

- [Updated Listing Rules](#)
- [Updated NZX Participant Rules - 1 July 2019 \(marked up\)](#)
- [Updated NZMDT Rules - 1 July 2019 \(marked up\)](#)
- [Updated Derivatives Market Rules - 1 July 2019 \(marked up\)](#)
- [Updated Clearing and Settlement Rules \(clean\)](#)
- [Updated Clearing and Settlement Rules \(marked-up\)](#)
- [Updated Guidance Notes](#)
- [Updated Practice Notes](#)
- [Explanatory paper](#)
- [Issuer fee schedule](#)
- [Finder table of updated rules to existing rules](#)
- [Finder table of existing rules to updated rules](#)
- [Q&A document](#)
- [Information about transition for Main Board and Debt Market issuers](#)
- [Information about migration from NXT and AX issuers](#)
- [Further information on class waivers and rulings](#)

Summary of the review process

We received excellent engagement during this review. The changes deliver on this feedback, and improve our customer offering, marking the completion of a significant deliverable for NZX and New Zealand's broader capital market. Below is a summary of the review process.

Background to the review

The rules had not been holistically reviewed since their introduction in 2003. NZX conducted the review in two stages and sought to achieve the following objectives:

- Reduce complexity with the current three equity market structure and build scale in the Main Board;
- Enhance investor protections to increase confidence and participation in our markets;
- Accommodate the listing of a broader range of financial products and issuers with fit for purpose rules for small to medium sized issuers, funds and debt issuers;
- Improve access for foreign listings to expand the range of investable products for New Zealand investors; and
- Remove unnecessary compliance costs, introduce tools to reduce the cost of compliance and ensure the rules are easy to navigate and use.

First stage of the review

Discussion Document

A discussion document was released on 26 September 2017 to commence the consultation phase of the review.

- [Link to Discussion Document](#)
- [Full list of Discussion Document questions](#)

Survey

In addition to the discussion document, a survey was also released to allow stakeholders to provide quick feedback.

- [Link to Survey](#)

Submissions received during the first stage of the review process can be accessed [here](#).

Second stage of Listing Rule review

NZX sought feedback on the second stage of the review between 11 April – 9 June 2018. The exposure draft and consultation paper are linked below.

- [NZX Listing Rule Review - Consultation Paper - 11 April 2018](#)
- [NZX Listing Rules Exposure Draft - 11 April 2018](#)
- [Appendix 1 - NZX Corporate Governance Code](#)
- [Appendix 2 - Preliminary announcements](#)
- [Appendix 3 - Takeover provisions](#)
- [Appendix 4 - Mining Issuer Disclosure](#)

Submissions received during the second stage of the review process can be accessed [here](#).

Who to contact if you need more information

If you need to speak to someone from the NZX team about these changes, please see the relevant contact details below:

- For all enquiries relating to the listing rules or to guidance notes please contact General Counsel and Head of Policy Hamish Macdonald at: hamish.macdonald@nzx.com
- For all issuer relationship enquiries please contact Issuer Relationships at issuerrelationships@nzx.com

- For all enquiries relating to transition, migration or other regulatory support please contact Head of Market Supervision Joost van Amelsfort at joost.vanamelsfort@nzx.com or the Issuer Compliance team at: regulation@nzx.com

