

## Buddle Findlay submits on NZX's listing rules review

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Buddle Findlay has submitted today on NZX's [listing rules review](#). Key points in our submission include:

- We support NZX's approach and many of the specific proposals
- We are cautious about the proposed expansion of the continuous disclosure regime to include deemed knowledge, ie the regime would apply to material information a director or senior manager ought reasonably to have known. We have suggested another approach to meet the objective of the proposal (an obligation to have reasonable processes to escalate material information) or that a defence analogous to section 272 of the FMC Act be introduced as well (reasonable steps were taken to comply etc)
- We do not support the proposal that a change to the "scale" of an issuer's business would be a major transaction. We were pleased to see NZX did not proceed with the earlier proposal to reduce the major transaction approval threshold from 50% to 25% (which we opposed in our submission on NZX's initial consultation). But we think this alternative proposal is also problematic – it is uncertain what "scale" means and the rule is more onerous on issuers than the equivalent ASX rule.

Our submission is available [here](#). We look forward to engaging with NZX as the review progresses.

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