

whether the same shall be made immediately on such failure to pay as aforesaid or at any time thereafter; and all damages which the seller, or his broker, or the purchaser's broker may sustain thereby shall be recoverable by him, or them, from the purchaser as and for liquidated damages, and it shall not be necessary to give notice of any such re-sale.

39. In the event of any person, not a member, failing to meet any engagement with a member of the Exchange, the member may apply to the Committee to have such person posted as a defaulter. The Committee shall enquire into the case and, if satisfied that such default has been made, shall post the said person and announce to the members that he is in default.

40. A member shall not transact business for a non-member who has been announced to the members as a defaulter, unless such person shall have made an arrangement with his creditor or creditors satisfactory to the Committee.

Management

41. The management of the Exchange shall be vested in a Committee consisting of the Chairman, Vice-Chairman, the immediate past Chairman and four other members, and such Committee shall have (subject to these rules) the direction and control of the affairs of the Exchange, and they shall forthwith provide a Common Seal for the Exchange, and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and they may make regulations for the use and safe custody of the Common Seal, provided always that every instrument to which the seal shall be affixed shall be signed by at least two members of the Committee and counter-signed by the Secretary or some other person appointed by the Committee.

42. In the event of any member of the Committee other than and excepting the Chairman and Vice-Chairman being absent from three consecutive meetings of the Committee, without leave of the Chairman or, in his absence, the Vice-Chairman, his seat thereon shall be declared vacant. Meetings of the Committee shall be held at such place and at such times as the Committee for the time being shall determine.

43. The Committee shall be elected annually at the annual general meeting by a majority of the members of the Exchange present and voting and shall hold office until the election of the new Committee at the annual meeting in the following year. A Chairman and Vice-Chairman shall be elected at the annual general meeting and shall hold office until the election of a new Chairman and a new Vice-Chairman at the annual meeting in the following year. Each such election shall be by ballot and the persons elected shall take office immediately after the close of the annual general meeting at which they are elected. At each general meeting the Chairman, Vice-Chairman, and all other members of the Committee shall retire and be deemed to have vacated office, but each of them shall be eligible for re-election to the office which he has vacated. Any member desiring to be or become a candidate for office must be proposed by one member and seconded by another member, and the nomination must be lodged with the Secretary 21 clear days at least before the day fixed for the annual meeting, otherwise such member shall not be deemed to be nominated.

The names of the retiring members eligible for re-election and of candidates who have been proposed, shall be notified in writing to all members with the notice of the annual general meeting.

44. A member of the Committee shall not at any meeting take any part in any proceedings relating to any complaint concerning such member, or otherwise having reference to the conduct of such member, or relating to any other matter in which such member has a special interest, and such member shall not be entitled to vote at any subsequent meeting of members dealing with any such subject or matter.

45. A member of the Committee shall not take part in any of its meetings pending the investigation of a charge affecting himself.

46. The surviving or continuing members on the Committee, notwithstanding any vacancy in their number, may act until the vacancy be filled up.

47. At meetings of the Committee all questions shall be decided by a majority of the members present.

Secretary

48. The Committee may from time to time appoint a Secretary who shall hold office during their pleasure and at such remuneration as they may from time to time fix.

49. In the absence of the Secretary from any meeting, or in case of his suspension, the Chairman shall carry out his duties or may appoint another member to do so.

Treasurer

50. The Secretary shall keep the accounts and act as Treasurer and shall have the custody of all books and papers. He shall present at each annual general meeting a statement of the finances of the Exchange to the end of the previous year, duly audited.

Chairman

51. The Chairman, or in his absence the Vice-Chairman, shall preside at all meetings of the Exchange and of the Committee, but in the event of both being absent the members present shall elect a Chairman for that occasion.

52. The Chairman of any meeting shall have entire control thereof and shall regulate the order and manner in which the business shall be conducted. The decision of the Chairman shall be final in all cases submitted to him.

53. In all cases, at any meeting when on a division the votes are equal, the Chairman shall have a second or casting vote.

54. In the event of any member or members obstructing the business of the meeting or being guilty of any breach of etiquette, of which the Chairman shall be the sole judge, the Chairman shall have power to inflict such fine, not exceeding \$10, as he may deem advisable.

Occasional Vacancy

55. Any occasional vacancy in the Committee, or in the position of Chairman or Vice-Chairman, shall be filled at a special general meeting of members to be summoned by the Committee for that purpose without unnecessary delay.

Power of Committee to Procure Information Relative to Matters under Investigation

56. Members and their clerks when required so to do by the Committee, shall attend any meeting of the Committee and then and there shall give such information as may be in their possession relative to any matter under investigation.

57. The Committee shall have full and absolute power, in the event of a complaint being made or on its own information, which in its opinion justifies such procedure, to call upon any member to produce for their inspection all books, letters, telegrams, or copies thereof, and other documents in his possession relating thereto, and he shall, without delay, produce them for inspection accordingly.

Violation of Rules and Penalties

58. The Committee shall take cognisance of all violations of these rules, whether in letter or spirit. Any member found by them to be guilty of such violation, or who may fail to comply with any decision or ruling of the Exchange or of the Committee, or who, in the opinion of the Committee is or has been guilty of conduct unworthy of a member, shall be liable to be fined or suspended, or fined and suspended from membership by resolution of the Committee; or should the matter be of such moment as in their opinion to demand expulsion, the Committee shall report accordingly to the members at a special general meeting called for that purpose. It shall be competent for the said special general meeting to confirm the Committee's recommendation and expel the offending member, or to deal with him by fine or suspension.

59. The Committee for the time being may, in their absolute discretion, and in such manner as they may think fit, notify or cause to be notified to the public that any member has been expelled, or has become a defaulter, or has been suspended, or has ceased to be a member.

Funds

60. The Committee shall have full control over the funds of the Exchange and shall pay therefrom all current expenses and outgoings, and any other payments for which they have the authority of the members. All monies received shall be paid into a bank account and all accounts, salaries, etc., shall be paid by cheques drawn on such account. The Committee may from time to time, at its discretion, borrow for the purposes of the Exchange from any persons, firms, or corporations any sum or sums of money on security of all or any of the property, real or personal, of the Exchange assets and effects, both present and future, either under legal mortgages or charges with powers of sale and other usual powers or by the issue of mortgage debentures, debentures, bonds, obligations, or any other securities of the Exchange, and generally on such terms and conditions as to the rate of interest or otherwise as the Committee thinks fit, and the Committee may also for the purposes of the Exchange borrow money from the bankers of the Exchange on overdraft or otherwise, with or without security. It shall not be necessary for any intending lender to see or enquire as to the purposes or objects for which moneys borrowed are required.