

an additional amount not exceeding a year's subscription to the same exchange, together with the amount payable by a member to the fidelity guarantee fund during the period of the applicant's suspension. The additional amount payable, except that part due to the fidelity guarantee fund, shall be applied for the general purposes of the Association.

58. After the hearing of any charge or application, the Disciplinary Committee may make an order as to costs taking into account the costs and expenses of and incidental to any investigation or hearing before a local committee and the legal costs of the Association and of exchanges as it thinks fit.

59. Enforcement—If any member fails within any time stated in an order of the Disciplinary Committee to pay any sum ordered to be paid by way of penalty or costs or expenses, the Disciplinary Committee may suspend that member until the sum is paid.

60. The Disciplinary Committee shall forward to the Association a report of every hearing and of every penalty imposed by it.

61. Witnesses' Expenses—Every person (other than a member) giving evidence or attending to give evidence at a hearing by the Disciplinary Committee shall be entitled to tender of his proper travelling expenses before attending and every person (whether a member or not) giving evidence or so attending shall at the discretion of the Disciplinary Committee be paid such sum for his travelling and other expenses and loss of time as the Disciplinary Committee may determine. All witnesses' expenses shall be paid by the Association and shall be recoverable in terms of any order that the Disciplinary Committee may make in relation thereto.

62. (1) Partners and Employees of Members—The Disciplinary Committee shall have power to enquire into any charge made by the council, the executive or a local committee or the chairman thereof that a member is in partnership with a non-member who has been guilty of or employs a person who has been guilty of conduct which if committed by a member would justify the Disciplinary Committee imposing on him any of the penalties referred to in rule 52 (4) (b) hereof.

If the Disciplinary Committee shall find such charge proved it may order:

- (a) in the case of a non-member partner, that the partnership be dissolved;
 - (b) in the case of an employee, that such employee be dismissed;
- in each case within such time as the Disciplinary Committee shall specify.

(2) If any member fails to carry out an order of the Disciplinary Committee made under this rule, the Disciplinary Committee may suspend him until the order is complied with.

Local Committees

63. (1) Disciplinary Functions—Except as provided in Rule 53 hereof, the local committee may hear any charge made against its members and referred to it in writing by the Disciplinary Committee, the council, the executive, the chairman of an exchange, or the investigating committee established under Rule 63A or by any other person.

(2) A local committee may decline to hear a charge and instead refer the same to the Disciplinary Committee.

(3) Before hearing any charge referred to it by the Disciplinary Committee, the council or the executive, a local committee may obtain, and in all other cases referred to it, shall obtain, a report from the investigating committee.

(4) If after hearing any charge the local committee is of the opinion that the member has been guilty of misconduct or of any breach of these rules or the rules of his exchange, or, of any act, matter of thing detrimental to the well-being or proper conduct of the Association or of exchanges generally, it may, if it thinks fit, do one or more of the following things:

- (a) Expel such member from membership of his exchange provided however, that if the local committee has by the rules of its exchange no final or absolute power of expulsion then the local committee may exercise in relation to that member all such powers relating to expulsion or recommendations as to expulsion as are conferred on it by its rules; or
- (b) Suspend such member from membership of his exchange for a stated period; or
- (c) Order him to pay to his exchange a sum by way of penalty not exceeding \$5,000; or

(d) Censure him;

provided that nothing herein shall prevent any exchange prescribing different penalties for breach by its members of its rules.

63A (1) Each exchange shall appoint two members not being members of the local committee or the Disciplinary Committee to investigate any alleged offence referred to it by the local committee of that exchange.

(2) Every allegation of an offence referred to an investigating committee shall be in writing and as received by the local committee. The local committee of its own volition may refer matters to the Investigating Committee.

(3) The local committee may delegate its powers under Rule 97 to its Investigating Committee. Such delegation shall be in writing.

(4) The Investigating Committee shall report to the local committee within the time set by that committee whether or not there is prima facie charge to be made.

(5) If the Investigating Committee reports that a charge should be made against a member, it shall include in its report a formulation of the charge under the appropriate Association or its exchange rule. For this purpose the local committee may authorise the Investigating Committee to employ legal assistance.

(6) If the Investigating Committee reports there is no case to answer, the local committee shall so inform the complainant and the lay member of the Disciplinary Committee shall be given a copy of the report.

(7) A local committee shall make the services of its Investigating Committee available to the Disciplinary Committee on its request in writing.

64. (1) Appeals—In any case where a charge is heard by a local committee the member charged shall be entitled to appeal to the Disciplinary Committee against the decision of his local committee.

(2) In any case where a local committee refuses an application for revocation of an interim suspension order the member concerned shall similarly be entitled to appeal to the Disciplinary Committee.

(3) Every appeal shall be in writing and shall be lodged with the Secretary of the Association not later than 10 days after the member charged has been given written notice of the decision of the Committee.

65. Applications of Disciplinary Committee Rules—The following rules relating to the Disciplinary Committee shall, *mutatis mutandis* and with the exceptions herein stated, apply to charges dealt with by local committees as if references therein to the Disciplinary Committee were references to local committees:

Rule 52 (3) as to members concerned or implicated;

Rule 52 (6) as to publication of name;

Rule 54 as to procedure provided representation by counsel at local committee level shall be allowed only with the consent of all the parties including the exchange;

Rule 55 as to evidence;

Rule 56 and 57 as to interim suspension and revocation of suspension except that where the order for interim suspension or suspension was made by the Disciplinary Committee only the Disciplinary Committee shall have power to revoke such order and except that reference to the Association in Rule 57 (2) shall be construed as reference to the exchange concerned;

Rule 58 as to costs;

Rule 59 as to enforcement;

Rule 60 as to report;

Rule 61 as to witnesses' expenses;

Rule 62 as to partners and employees of members.

General

66. Consent to Partners and Employees—Without the prior consent in writing of his Local Committee, no member shall knowingly practise in partnership with or employ any person who—

- (a) has been expelled from or is currently suspended from an exchange; or
- (b) has been convicted of any crime or offence referred to in Rule 53 hereof; or
- (c) as a partner or an employee has been the subject of a proved charge under Rule 62 hereof.

67. Charges by Non-members—The local committee shall refer each complaint made by a non-member in writing to the Investigating Committee which shall take into account whether the complaint arose out of the employment of the member concerned by the complainant.