

committees, or failure to pay its debts as they fall due, or the occurrence of any of the events referred to in clause 6.1(q), shall prima facie be deemed to be misconduct by the Trading Member.

- 6.3 (a) Notwithstanding the provisions of clause 6.2, and without prejudice to any other action which the Board may resolve to take, where a Trading Member fails to lodge the statement referred to in clause 6.1(d)(ii) within seven days of the due date the trading rights of the Trading Member shall immediately be suspended without the necessity for a decision of the Board AND the Trading Member shall be liable to pay a fine of such amount as may be prescribed by the Board from time to time as the appropriate fine for such a failure.
- (b) When a Trading Member's trading rights have been suspended in accordance with sub-clause (a) hereof, they shall immediately be re-instated without the necessity of a decision of the Board as soon as the statement referred to in clause 6.1(d)(ii) has been received by the Exchange unless prior to receipt of such statement the Trading Member's trading rights have been suspended for reasons other than the Trading Member's failure to lodge such statement.

7. AFFILIATE MEMBERS – CONDUCT

- 7.1 An Affiliate Member shall at all times act in a manner consistent with the promotion and protection of the goodwill and public image of the Exchange and its Members and in particular it shall:
- (a) observe, comply with and act consistently with these Articles and the By-Laws and the decisions of the Board and its committees, and settle any dispute in a manner consistent with upholding the goodwill and public image of the Exchange and its Members;
- (b) maintain such accounting records as correctly record and explain the financial position of the Affiliate Member, and in addition as will enable compliance with these Articles and the By-Laws to be conveniently ascertained by the Investigations Committee and otherwise conveniently and properly audited;
- (c) maintain separate internal records showing the time, date and nature of instructions received from, and transactions executed for, clients and maintain separate internal records showing the time, date and nature of its own orders and trading and the source of funds used for that trading, such records to be maintained for a period of not less than two years from the date of instructions being received;
- (d) ensure that at all times the value of the net tangible assets of the Affiliate Member is not less than five hundred thousand dollars (\$500,000) or such greater amount as may from time to time be fixed by special resolution of the Exchange, or by a resolution of the Board duly passed at a meeting