

the Affiliate Member has acquired on behalf of the client;

- (u) to comply with all statutes and regulations for the time being in force relating to dealing in futures or option contracts,

provided that the Board may upon written application by an Affiliate Member dispense with, or temporarily postpone, observance by the Affiliate Member of any of the above obligations, upon such conditions (if any) as the Board may think fit.

- 7.2 Where an Affiliate Member has undertaken in writing to the Exchange in such form as the Board may require that the Affiliate Member will not accept instructions from persons wishing to sell or purchase futures or option contracts on the Market and intends only to act on its own behalf, the Affiliate Member shall not, so long as it does not accept any such instructions from any other person, be bound to comply with the provisions of sub-clauses (h) to (m) inclusive of clause 7.1.
- 7.3 Where an Affiliate Member has given an undertaking to the Exchange in accordance with clause 7.2, and has not withdrawn such undertaking the Affiliate Member:
 - (a) shall from time to time, within fourteen days of being requested by the Board in writing to do so, provide to the Board such undertaking and/or other evidence as the Board may require, that the Affiliate Member has not accepted, and does not intend to accept, instructions from any other person to sell or purchase futures or option contracts on the Market;
 - (b) shall not accept any such instructions without first advising the Exchange by not less than thirty days' notice in writing of its intention to do so and:
 - (i) acknowledging its liability thenceforth to comply with all the provisions of clause 7.1; and
 - (ii) providing the Exchange with satisfactory evidence of compliance by the Affiliate Member with clause 7.1(d); and
 - (iii) providing the Investigations Committee with a statement in accordance with clause 7.1(e).
- 7.4 Failure by an Affiliate Member to comply with the provisions of clauses 7.1 or 7.3, or otherwise to observe, comply with and act consistently with these Articles or the By-Laws, or the decisions of the Board or its committees or failure to pay its debts as they fall due, or the occurrence of any of the events referred to in clause 7.1(f), shall prima facie be deemed to be misconduct.
- 7.5 Notwithstanding clause 7.4, and without prejudice to any other action which the Board may resolve to take, where an Affiliate Member fails to comply with clause 7.3 within seven days of the due date for compliance the trading rights of the Affiliate Member shall immediately be suspended without the necessity for a decision of the Board AND the Affiliate 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.