

9. INTRODUCING BROKER MEMBERS – CONDUCT

9.1 An Introducing Broker 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 Introducing Broker 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 net tangible assets of the Introducing Broker Member is not less than fifty thousand dollars (\$50,000) 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 specially convened to consider the matter and which is supported by the affirmative votes of at least four Directors appointed in accordance with clause 24.2(a)(i) or alternates for such Directors;
- (e) provide the Investigations Committee with such financial reports and within such time as the Investigations Committee requires. Such information shall include true and correct statements of the following:

- (i) a quarterly return of the Member's financial position, within two months of the last business day of the months of March, June, September and December in each year, and at such other times as may be requested in writing by the Committee;
- (ii) signed audited annual financial accounts, within three months of the Member's annual balance date;

Such statements shall be binding on the Member, and are to be signed by the Member, or by a partner or director of the Member, as the case may be, or by a person duly authorised by the Member to sign such statements;

- (f) notify the Exchange immediately upon the happening of any one or more of the following:
 - (i) the bankruptcy of the Introducing Broker Member or where the Introducing Broker