

due, or the occurrence of any of the events referred to in clause 9.1(f), shall prima facie be deemed to be misconduct.

10. TRADING MEMBERS – DISCIPLINARY ACTION

- 10.1 (a) Where the Board considers that a Trading Member has been guilty of, or might be reasonably suspected of, misconduct it shall convene a meeting of the Board in accordance with sub-clause (b) of this clause at which the Trading Member shall be entitled to be present and offer an explanation, and pending the holding of such a meeting the Board may by unanimous resolution order the Trading Member not to trade in futures or option contracts, or in a specific class or classes of futures or option contract, or not to trade in a particular futures or option market or markets, whether in New Zealand or elsewhere.
- (b) The meeting shall be held within fourteen days after the passing of a unanimous resolution under sub-clause (a), if one shall have been passed, or otherwise within twenty-eight days of the Board's decision to convene the meeting, and the Exchange shall cause notice of such meeting to be sent to the Trading Member concerned appointing a time and place for the meeting, giving details of the misconduct alleged against it and nominating, where felt desirable by the Board, any particular partner, director or employee of the Trading Member from whom the Board wishes to receive information or explanations.
- (c) The Board may at that meeting decide whether:
- (i) to suspend the trading rights of the Trading Member;
 - (ii) to fine the Trading Member such amount as the Board may deem appropriate;
 - (iii) to call an extraordinary general meeting pursuant to clause 10.6 for the purpose of considering whether to expel the Trading Member;
 - (iv) to order the Trading Member not to trade in a particular futures or option market or markets, whether in New Zealand or elsewhere, or in a specific class or classes of contract, or to revoke or extend any such order previously made.

Such decisions shall not be mutually exclusive of each other, and the Board may make any one or more of such decisions in respect of the Trading Member at the meeting. Any member of the Board who has a direct interest in the determination of any issue before the Board shall be excluded from the deliberation of the Board in such determination and shall not be entitled to vote thereon. Decisions by the Board under this sub-clause shall require a seventy-five per cent majority of the Board members for the time being entitled to receive notice of meetings of the Board.