

Expulsion of Trading Members

- 10.6 (a) Should the Board decide to call an extraordinary general meeting of Trading Members for the purpose of considering whether to expel a Trading Member, it shall give notice to all Trading Members as required by these Articles.
- (b) At any such meeting the chairman, or failing him a representative of the Board, shall provide a summary of the investigations of the Board and the reasons for its decision to call the meeting, and the Trading Member may address the meeting.
- (c) A resolution to expel a Trading Member passed at any such meeting shall require the affirmative votes of either:
- (i) not less than two-thirds of those Trading Members who are present in person or by proxy and entitled to vote; or
 - (ii) not less than half of all the Trading Members entitled to vote;
- whichever is the greater. Voting shall be by secret ballot.
- (d) Upon expulsion, the Trading Member shall forfeit its trading rights and shall forfeit its share in the capital of the Exchange in accordance with Article 27.

11. AFFILIATE MEMBERS – DISCIPLINARY ACTION

- 11.1 (a) Where the Board is satisfied that an Affiliate Member has been guilty of, or might reasonably be suspected of, misconduct, it shall convene a meeting of the Board in accordance with sub-clause (b) of this clause at which the Affiliate 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 Affiliate 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 Affiliate 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 Affiliate 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 Affiliate Member;
 - (ii) to fine the Affiliate Member such amount as the Board may deem appropriate;
 - (iii) to terminate the membership of the Affiliate