

effect of varying the decision of the Board made in accordance with clause 11.1(c) 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.

- 11.3 Subject to clause 11.2(b), failure to pay a fine by an Affiliate Member within seven days of it being imposed shall result in automatic suspension of the trading rights of such Affiliate Member until the fine is paid in full. If the fine is not paid within three months of the date of imposition then the Board may forthwith terminate the membership of the Affiliate Member. Notwithstanding such termination the Board may pursue payment of the fine by legal action, or accept security therefor, or agree to payment over a period of time.
- 11.4 The trading rights of an Affiliate Member who is a Clearing Member shall be immediately suspended without the necessity for a decision of the Board if the Clearing House refuses to register trades in the name of the Affiliate Member. Notice in writing by the Clearing House shall be prima facie evidence for the Board and the Board shall then proceed to call the meeting envisaged under clause 11.1.

Transfer of Open Positions

- 11.5 (a) Where the trading rights of an Affiliate Member have been suspended (other than by reason of any action by the Clearing House), or the Affiliate Member has been ordered not to trade in a particular futures or option market or markets or in a specific class or classes of contract or its membership has been terminated, or the Affiliate Member has resigned, all or any of the open positions held by the Affiliate Member (whether on its own behalf or on behalf of clients) may with the consent of the Affiliate Member (or receiver, statutory manager, provisional liquidator, liquidator or similar officer of the Affiliate Member, as the case may be), the Board (which consent shall not be withheld where all of a client's indebtedness to the Affiliate Member has been satisfied) and the Clearing House, be transferred to a Trading Member or another Affiliate Member which shall be entitled to commission on any subsequent trades. The Board may appoint any Director to take all action in the name of the first-named Affiliate Member and to execute all documents and do all things necessary to give effect to such transfer.
- (b) Where the trading rights of an Affiliate Member have been suspended, or where it has been ordered not to trade in a particular futures or option market or markets or in a specific class or classes of contract, the Affiliate Member (or receiver, statutory manager, provisional