

- liquidator, liquidator or similar officer of the Affiliate Member, as the case may be), unless action is taken under sub-clause (a), may request another Member (Affiliate or Trading) to trade on its behalf and that other Member shall accept and act on such request unless it shall have satisfied the Board that it has reasonable grounds for declining to do so. All such business shall be transacted at such rate or rates of commission as may be agreed upon between the Members concerned.
- (c) Where the trading rights of an Affiliate Member have been suspended or where 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 fined, or its membership terminated or where the Affiliate Member has given notice of resignation, the Board shall cause an appropriate announcement to be made to Trading Members and Affiliate Members.

12. LOCAL MEMBERS – DISCIPLINARY ACTION

- 12.1 (a) Where the Board is satisfied that a Local 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 Local 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 Local Member not to trade in futures or option contracts, or not to trade 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 Local Member concerned appointing a time and place for the meeting, giving details of the misconduct alleged against him.
- (c) The Board may at the meeting decide whether:
- (i) to suspend the trading rights of the Local member;
  - (ii) to fine the Local Member such amount as the Board may deem appropriate;
  - (iii) to terminate the membership of the Local Member;
  - (iv) to order the Local Member not to trade in a particular futures or option market or markets, whether in New Zealand or elsewhere, or in any specific class or classes of contract, or to revoke or extend any suspension previously made.
- Such decisions shall not be mutually exclusive of