

not situated in New Zealand, any order not to trade made under clause 13.1 shall not apply to any trading by that Introducing Broker Member which:

- (i) does not arise out of orders or instructions placed with, or given to, any branch, office or employee of that Introducing Broker Member in New Zealand; and
- (ii) is not transacted on a market in New Zealand; and
- (iii) is carried on from a place of business of that Introducing Broker Member situated outside New Zealand.

- 13.2 (a) Where an Introducing Broker Member has been fined, or its trading rights have been suspended, or any order not to trade has been made pursuant to clause 13.1(c), or its membership has been terminated, it may by notice in writing call upon the Board to convene an extraordinary general meeting of Trading Members to consider the penalty imposed. The notice by the Introducing Broker Member must be given within three business days after receipt by the Introducing Broker Member of notice of the decision of the meeting of the Board at which the penalty is imposed.
- (b) Pending the meeting of Trading Members any suspension or termination may, if so determined by the Board, continue until the meeting of Trading Members, but the Introducing Broker Member shall not be required to pay a fine prior to the meeting.
- (c) At such meeting the chairman, or failing him then a representative of the Board, shall provide a summary of the investigations of the Board and the Introducing Broker Member may address the meeting.
- (d) Any resolution passed at the meeting which has the effect of varying the decision of the Board made in accordance with clause 13.1(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.
- 13.3 Subject to clause 13.2(b), failure to pay a fine by an Introducing Broker Member within seven days of it being imposed shall result in automatic suspension of the trading rights of such Introducing Broker 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 Introducing Broker 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.
- 13.4 Where the trading rights of an Introducing Broker Member have been suspended or where the Introducing Broker Member has been fined, or its membership terminated, or where the Introducing Broker Member has given notice of