

Second minor breach by Member) \$ for first contract.
 within a 24 month period) \$ for each additional
 contract.
 Third and subsequent minor) \$ for first contract.
 breach by Member within a) \$ for each additional
 24 month period) contract.
 Maximum fine per breach)
 regardless of number of) \$
 contracts involved)

- NOTES:
- (i) Minor breaches in respect of which a reprimand is given but no fine is imposed shall not be taken into account in determining the frequency of minor breaches within a 24 month period.
 - (ii) Any act or default of a Member in any delivery month, which is determined to be a minor breach falling within the provisions of Part A of this Schedule, shall for the purposes of this Part B constitute a single minor breach regardless of the number of contracts involved. Any repetition of the same act or default and any similar act or default by the Member in a subsequent delivery month shall constitute a separate minor breach.

UNDERTAKING BY NOMINATING MEMBER

Pursuant to Article 4.6(b)

TO: NEW ZEALAND FUTURES AND OPTIONS EXCHANGE LIMITED
 ('the Exchange')

WE being a Trading Member
 (name of Trading Member)

of the Exchange HEREBY UNDERTAKE to the Exchange and to each other Trading Member of the Exchange that until such time as we shall be released from this Undertaking pursuant to clause 4.7(b) of the Articles of Association of the Exchange we shall cause all futures contracts and option contracts traded on the Exchange by

(name of Local Member)

to be registered with the Clearing House in our name.
 Terms defined in the Articles of Association have the same meaning in this Undertaking.

DATED this day of 19 .

(Signature)

MARIE SHROFF, Clerk of the Executive Council.

