

- (a) exercise any of the powers set out in Rule 49.5, either in addition to or in place of making a termination order or suspension order;
- (b) make such directions and arrangements as it feels appropriate for the purpose of giving effect to a termination order or suspension order; and
- (c) make such order as to costs as it thinks fit, including the Company's costs of those proceedings, any related proceedings of the Committee and the costs of investigating the matters giving rise to such proceedings.
- 50.10 A Dealer which has been suspended shall comply with any order relating to it, including any directions and arrangements which may be made for the purpose of giving effect to the order, made by the Business Conduct Committee under these Rules. A suspended Dealer shall remain liable for all of its obligations as a Dealer other than as expressly provided in its suspension order.
- 50.11 If a Dealer:
- (a) suspends payment of its debts; or
 - (b) calls a meeting of its creditors; or
 - (c) (in the case of an individual or all the members of a partnership) has a bankruptcy order made against him, her, or all of them; or
 - (d) (in the case of a company, society or partnership) has a receiver or statutory manager or similar person appointed of it or of all or any of its assets; or
 - (e) enters into liquidation (except a voluntary liquidation for the purpose of an amalgamation or reconstruction);
- its trading rights shall be suspended (without any prior decision of the Business Conduct Committee being required) from the date of the relevant event or from such other date as the Business Conduct Committee determines.
- 50.12 Where a Dealer which has been suspended is not incorporated in New Zealand and does not have its principal place of Business in New Zealand, the suspension of trading rights shall not apply to any trading by that Dealer which:
- (a) does not arise out of orders or instructions placed with, or given to, any branch, office or employee of the Dealer in New Zealand; and
 - (b) is not transacted on a market in New Zealand; and
 - (c) is carried on from a place of Business of that Dealer situated outside New Zealand.
- 50.13 Notwithstanding that the Business Conduct Committee may have made a suspension order against a Dealer and that the order is the subject of a request for reconsideration or notice of appeal, the Business Conduct Committee may make a termination order in respect of that Dealer either on account of the continuation of the circumstances leading to the making of the suspension order or on account of other matters.
- 50.14 (a) A termination order shall be in writing and shall take effect on the determination of the appeal process referred to in Rule 51.
- (b) A suspension order shall be in writing and shall take effect in accordance with its terms immediately upon receipt by the Dealer concerned except that where the Business Conduct Committee considers it appropriate for the protection of clients of the Dealer or members of the public the order may be expressed to have immediate effect but shall be confirmed in writing forthwith to the Dealer.
- (c) Neither a termination order or a suspension order in respect of a Dealer shall affect any liability of the Dealer for payment of any moneys to the Company or any other person which was incurred in accordance with these Rules prior to the date of the relevant order.
- 50.15 Upon a termination order being made in respect of a Dealer:
- (a) all the trading rights of the Dealer shall immediately terminate and it shall cease to be a Dealer; and
 - (b) the Dealer shall continue to be subject to the jurisdiction of the Company and the Business Conduct Committee for a period of one year after expulsion in respect of:
 - (i) its acts and omissions while a Dealer;
 - (ii) any proceedings instituted against it (whether by the Company, the Committee or otherwise) within that period; and
 - (iii) any order relating to the Dealer, including any directions or arrangements which may be made for the purpose of giving effect to any order made by the Business Conduct Committee under these Rules.
- 50.16 Where a Trading Permit Holder has been suspended (other than by reason of any action by the Clearing House), or a termination order has been made in respect of a Trading Permit Holder:
- (a) all or any of the open positions held by the Trading Permit Holder may, with the consent of the Business Conduct Committee and the Clearing House, be transferred to a Public Broker who is a Trading Permit Holder and the Business Conduct Committee may appoint any person to take all such action in the name of the first-named Trading Permit Holder, and to execute all such documents and do all such other things, as may be necessary to give effect to such transfer; or
 - (b) unless action is taken under Rule 50.16(a) the Trading Permit Holder (or the receiver, statutory manager, provisional liquidator, liquidator or similar officer of the Trading Permit Holder, as the case may be), may request a Public Broker who is a Trading Permit Holder to trade on its behalf and that Public Broker shall accept and act on such request unless it satisfies the Business Conduct Committee that it has reasonable grounds for declining to do so.
- 50.17 Any time limit or period referred to in this Rule 50 may, on the application of a Dealer, or the Company, or by the Business Conduct Committee of its own volition, be varied by the Business Conduct Committee.

SECTION 10—APPEAL BOARD

51. CONSTITUTION, PROCEDURES AND POWERS

- 51.1 Where any person gives notice in writing to the Company that it wishes to appeal against a decision of:
- (a) the Company under Rules 9, 17, 18 or 52.14; or
 - (b) the Business Conduct Committee under Rules 48.4, 49 or 50;
- in relation to that person (an "appellant"), the Company shall within ten business days, after prior consultation with the Commission, appoint a person or persons who are independent in terms of Rule 3.3 as an Appeal Board (the "Appeal Board") to review the decision and shall promptly notify the Appellant of the date and time when, and the place at which, the appeal will be considered.