



## Participant Circular

**Date:** 22 October 2001

### Key topics

1. Burdett Buckeridge Young Limited.

### Reading List

Compliance Managers  
Client Advisers (Brokers)  
DTR Operators.  
Managing Directors.  
Office Managers  
Operations Managers (back office)

### ASX contact

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## DISCIPLINARY MATTERS

The National Adjudicatory Tribunal has imposed a fine of \$10,000 (plus GST of \$1,000) upon Burdett Buckeridge Young Limited ("BBY") in respect of a breach of ASX Business Rule 1.2.2(2)(iii), in that during the period 28 August 2000 to 1 September 2000 BBY failed to pay into its trust account upon receipt, monies received from persons, being application money for Securities. BBY reported this matter to the Exchange and did not contest the charge.

The circumstances of this matter are as follows:

1. During the period 28 August 2000 to 1 September 2000, BBY issued application forms with respect to two placements of securities, which incorrectly instructed investors to deposit their application monies into the BBY Operating Account instead of the BBY Trust Account.
2. In respect of both placements, funds were first deposited into the BBY operating account on 28 August 2000 and these funds were transferred to BBY's trust account on 4 September 2000.
3. In respect of both placements, a total of \$38,469,473.76 in client funds was wrongly placed into the BBY's operating account between 28 August 2000 and 4 September 2000 contrary to ASX Business Rule 1.2.2(2)(iii).
4. BBY received a financial benefit of \$24,440.18 by virtue of this error as a consequence of interest it earned on the additional funds in its operating account. BBY has voluntarily agreed to pay the entire amount of that financial benefit and an additional \$ 1,128.60 (being the accumulation of the \$ 24,440.18 to date) to ASX.

The Tribunal noted that there had been a change in controlling shareholding of BBY and its associated companies and that BBY is now under new management.