



## ASX Circular

Date: 21 July 2010

## Key topics

1. Taylor Collison Limited

## Reading List

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

## Contact

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No responsibility is accepted for any inaccuracies contained in the matter published.

## DISCIPLINARY MATTERS

The ASX Disciplinary Tribunal has determined the following:

Taylor Collison Limited ('Taylor Collison') contravened ASX Market Rule 4.1.1(w) in that it engaged in unprofessional conduct.

The Tribunal imposed a fine of \$80,000 (plus GST) and made remedial orders in respect of an employee involved.

Taylor Collison did not contest the contravention before the Tribunal.

The circumstances of this matter are detailed as follows:

- ASX Market Rule 8.3.1 requires a market participant to ensure that its representatives who give financial product advice to a retail client in relation to Options, Futures, Warrants and other Derivatives Market Contracts as specified in the Procedures, hold the relevant accreditation required under the Rules.
- ASX Market Rule 8.8 sets out the requirements for renewal of accreditation.
- ASX Market Rule 8.9.4 sets out the requirements for voluntary withdrawal of accreditation.
- The unprofessional conduct the subject of this contravention resulted in a false representation being made to Kaplan Professional and ASX Limited that a previously accredited derivatives adviser had met the requirements for reaccreditation under Market Rule 8.8 when he had not.
- On this basis, the adviser was reinstated to the ASX register of Accredited Derivatives Advisers 2009 ('the accreditation') on 16 December 2008 and remained on that register until 11 June 2009.

In determining penalty, the Tribunal, among other things, took into account the following matters:

- a) The circumstances and impact of the contravention;
- b) Taylor Collison's agreement not to contest the matter;
- c) The misconduct was an isolated instance;
- d) The misconduct does not appear to be systemic or indicative of a pattern of non-compliance with the Rules;
- e) Taylor Collison's disciplinary history;
- f) The steps taken by Taylor Collison to minimise the chances of such an event recurring;
- g) Aspects of the misconduct were misleading and wilfully reckless;
- h) The need for the disciplinary sanction to be remedial, to serve as a deterrent to any future misconduct by Taylor Collison and as a deterrent to all other regulated persons from engaging in the same or similar conduct; and
- i) The adviser did not in any way use this accreditation in the performance of his duties.

## Annexure A - Disciplinary Tribunal Sanction Guidelines

The Tribunal determined that this Contravention was classified as a Level 2 Serious Contravention, for which the applicable penalty range is \$20,000 - \$100,000 (plus GST). Given the mitigating and aggravating circumstances in this matter the Tribunal determined that a fine of \$80,000 was an appropriate sanction.

The Tribunal also made remedial orders in respect of an employee involved pursuant to its general powers set out in Section 2.4.1 of the Disciplinary Processes and Appeals Rulebook.

The Tribunal is of the opinion that the sanctions imposed will act as a deterrent and appropriately serves the interests of ASX and market participants in maintaining a market that is fair, orderly and transparent.