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**To: All NZFOE Dealers**  
**No: 10/00**

### **Disciplinary Action Imposed by the Business Conduct Committee**

Dealers are advised, pursuant to Rule 49.11 (b), of Disciplinary Action taken by the Business Conduct Committee (the Committee).

#### **DEALER 1**

It was identified that a Dealer had failed to comply with:

#### **Rule 20.2**

[A Dealer shall provide the Business Conduct Committee, at the cost of the Dealer, with a copy of its signed audited financial accounts, within three months after the Dealer's annual balance date.]

The annual financial accounts were not lodged by the due date of 30 June 2000. The Return was lodged on 11 July 2000.

The Committee noted that the Dealer was not acting in accordance with Rule 20.2 and resolved pursuant to Rule 49.5(a) that no action be issued with respect to this breach.

#### **DEALER 2**

It was identified that a Dealer had failed to comply with:

#### **Rule 30.1**

[An Exchange Broker, unless it is a registered bank or an Australian bank (in which case it shall be exempt from this Rule) shall provide the Business Conduct Committee with a copy of the Exchange Broker's balance sheet and a statement of the Exchange Broker's

Financial Resources calculated in accordance with Rule 29, in the prescribed form, such reports to be provided no less frequently than monthly and within such time as

the Business Conduct Committee may from time to time specify either generally or in respect of any Exchange Broker.]

**PRESCRIPTION 30.1**

[Exchange Brokers are required to provide the Business Conduct Committee with a copy of its balance sheet and a statement of its financial resources calculated in accordance with Rule 29, as at the last day each month, within ten business days of the end of the month.]

The Dealer's balance sheet and a statement of Financial Resources calculated in accordance with Rule 29, in the prescribed form, were not lodged by the due date of 14 August 2000. The Return was lodged on 15 August 2000.

The Committee noted that the Dealer was not acting in accordance with Rule 30.1 and resolved pursuant to Rule 49.5(a) that no action be issued with respect to this breach.

**Greg Boland**  
**General Manager; NZFOE**

**10/11/2000**