

CIRCULAR



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**To: Associate Members
Floor Members
Local Members
Market Representatives**

No: 302/98

Disciplinary Action Imposed by the Market Practices Committee

Members are advised that in accordance with Article 38.9.1(b) and (d) the Market Practices Committee (the Committee), acting under the said Article, resolved that a Member and an employee of that Member had failed to comply with the following:

- 1. Article 3.6(1)(e) by virtue of an apparent failure to comply with Section 1266(4) of the Law and Section TE.6.5.1 of the Trading Etiquette**
[Disclosure of Information]
- 2. Section TE.6.8.2(e) of the Trading Etiquette**
[Withholding an order in order to cross]
- 3. General By-Law G.8(o) and Section TE.6.6 of the Trading Etiquette**
[Prearrangement]

An investigation identified that the Member and its employee had disclosed information about an order which was not known to the rest of the market. Further, that the Member and its employee had withheld orders in order to cross and had prearranged a trade to the exclusion of others.

The Committee resolved that the Member and the employee had failed to comply with Article 3.6(1)(e) by virtue of an apparent failure to comply with Section 1266(4) of the Law, General By-Law G.8(o) and Sections TE.6.8.2(e), TE.6.5.1 and TE.6.6 of the Trading Etiquette.

In accordance with Article 38.9.1(b) the Committee imposed a fine of \$6,000 upon the Member and in accordance with Article 38.9.1(d) the Committee imposed a Reprimand upon the employee of the Member for the identified breaches.

**Deborah Horne
GM - Compliance & Surveillance**

26/10/98

SYDNEY FUTURES EXCHANGE LIMITED

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