

CIRCULAR TO:

FULL MEMBERS
ASSOCIATE MEMBERS
LOCAL MEMBERS

No. 62/00

DISCIPLINARY ACTION IMPOSED
BY THE BUSINESS CONDUCT COMMITTEE

Members are advised, pursuant to Article 38.13, of Disciplinary Action taken by the Business Conduct Committee (the BCC):

MEMBER 1

It was identified that an Associate Member had failed to comply with:

- **General By-Laws G.2, G.4, G.26, G.27, G.28**
[Initial and Variation Margins]

The above breaches were identified as part of a follow-up inspection of the Member following previous disciplinary action imposed by the Committee in relation to the Member's failure to call and receive initial and variation margins within the "earliest reasonable time".

In accordance with Article 38.9.1(b), the Committee imposed a fine of \$1,000 upon the Member.

MEMBER 2

It was identified that an Associate Member had failed to comply with:

- **Article 4.6(4)(hb) and General By-Law G.33 by virtue of non-compliance with Parts 4(vii) and 4(xii) of the Twenty Fourth Schedule**
[Failure to maintain a Disclosure Document that is complete and accurate]

The above breaches were identified as part of a routine inspection of the records and procedures of the Associate Member. The Member has advised that it has implemented procedures to ensure future compliance.

In accordance with Article 38.9.1(d), the BCC imposed a Reprimand upon the Member for the identified breaches.

MEMBER 3

It was identified that an Associate Member and its employee had failed to comply with:

- **Article 4.6(1)(a)**
[Failure to act in a manner consistent with the promotion and protection of the goodwill and public image of the Exchange and its Members]

A complaint was received from a client of the Member alleging that an employee of the Member accepted payments from the client. The Member admitted that its employee accepted a sum of money as a “gift” paid into his personal credit card account by the client. However, the employee subsequently returned the funds to the client.

In accordance with Article 38.9.1(d), the Committee imposed a Reprimand upon the Member and its employee in respect of the identified breach.

MICHELLE WAGNER
MANAGER - COMPLIANCE

27 MARCH 2000