

**CIRCULAR TO:**                    **FULL MEMBERS**  
   **ASSOCIATE MEMBERS**  
   **LOCAL MEMBERS**

**No. 102/2000**

**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**

An inspection identified that a Full Member had failed to comply with:

**General By-Laws G.2, G.4, G.26 and G.28**

[Failure to ensure payment of initial margins or lodgement of cover is effected within the earliest reasonable time]

It was identified that the Member had not acted in accordance with the Exchange's Business Rules in relation to the calling and receipt of margins from clients.

In accordance with Article 38.9.1(b), the BCC imposed a fine of \$250 upon the Member in respect of the identified breaches.

**MEMBER 2**

It was identified that a Full Member had failed to comply with:

**BAB.9**

[Delivery of 90 Day Bank Accepted Bills Futures Contracts]

The Sydney Futures Exchange Clearing House (SFECH) advised that, following the expiry of the March 2000 90 Day Bank Accepted Bills futures contract, the Member failed to provide the SFECH with the correct Austraclear codes on the Buyers/Sellers Authority by 3:00 pm on 9 March 2000 as per the requirements of BAB.9.

In accordance with G.14(d), the BCC imposed a Reprimand upon the Member in respect of the identified breach.

**MEMBER 3**

It was identified that a Full Member had failed to comply with:

**Trading Rule TR.16**

[Abuse by SYCOM® Traders of trading rights]

It was identified that a SYCOM® Trader of the Member had traded using another SYCOM® Trader's user ID.

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

**MEMBER 4**

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

**Article 4.6(4)(c)(i)**

[Associate Member to lodge financial returns within one calendar month of the last trading date of each preceding month]

On 29 February 2000, the Member was granted an extension of time to lodge the January Monthly Return until 6 March 2000. The January Return was not lodged by the revised due date. The Return was lodged on 7 March 2000.

The BCC noted that this incident was a repeat offence. On this basis, in accordance with Article 38.9.1(b), the BCC imposed a fine of \$500 upon the Member for the identified breach.

**MEMBER 5**

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

**Article 4.6(4)(c)(i)**

[Associate Member to lodge financial returns within one calendar month of the last trading date of each preceding month]

The February Return was not lodged by the due date of 31 March 2000. The Return was lodged on 3 April 2000.

The BCC noted that this incident was a repeat offence. On this basis, in accordance with Article 38.9.1(d), the BCC imposed a Reprimand upon the Member for the identified breach.

**MEMBER 6**

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

**Article 4.6(4)(c)(i)**

[Associate Member to lodge financial returns within one calendar month of the last trading date of each preceding month]

The February Return was not been lodged by the due date of 31 March 2000. The Return was lodged on 3 April 2000.

The BCC noted that this incident was a repeat offence. On this basis, in accordance with Article 38.9.1(d), the BCC imposed a Reprimand upon the Member for the identified breach.

**MEMBER 7**

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

**Article 4.6(4)(c)(i)**

[Associate Member to lodge financial returns within one calendar month of the last trading date of each preceding month]

The February Return was not lodged by the due date of 31 March 2000. The Return was lodged on 6 April 2000.

The BCC noted that this incident was a repeat offence. On this basis, in accordance with Article 38.9.1(d), the BCC imposed a Reprimand upon the Member for the identified breach.

**D C HORNE**  
**GENERAL MANAGER - MARKET INTEGRITY**

**25 MAY 2000**